

January 21, 2020

Rameswar Udyog Private Limited: Continues to remain under Non-Cooperating category

Summary of rating action:

Instruments	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Fund-based – Cash Credit	(4.75) +	(4.75) +	[ICRA]B+(Stable) ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Fund-based – Term Loan	34.00	34.00	[ICRA]B+ (Stable) ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Non fund based Export Packing Credit	14.75	14.75	[ICRA]A4 ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Interchangeable-FDBP^ /FUDBP^	(14.75) #	(14.75) #	[ICRA]A4 ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Non fund based Bank Guarantee	1.00	1.00	[ICRA]A4 ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	49.75	49.75	

*Issuer did not co-operate; based on best available information.

+sub-limit of PC; #sub-limit within EPC/PCFC

^Foreign discount bill purchase; ^^Foreign usance discount bill purchase.

Rationale

The ratings for the Rs. 49.75-crore bank facilities of Rameswar Udyog Private Limited (RUPL) continues to remain under 'Issuer Not Cooperating' category. The ratings are denoted as "[ICRA]B+(Stable)/ [ICRA]A4; ISSUER NOT COOPERATING".

ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity's management has remained non-cooperative. The current rating action has been taken by ICRA basis best available/dated/ limited information on the issuers' performance. Accordingly, the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology Policy in respect of non-cooperation by the rated entity
Parent/Group Support	Not applicable
Consolidation / Standalone	Standalone

About the company:

Rameswar Udyog Private Limited (RUPL) was incorporated in 1996 to engage in manufacturing and export of industrial garments. The company is a part of Nowrangroy Rameswar Group founded by Late Rameswar Ajitsaria in 1920. The group has its core activities in aluminium trading, flour milling and export of textile products. Earlier, RUPL was involved in aluminium trading and used to get the manufacturing of industrial garments done on job work basis. In 2006 it started its own garment stitching unit. Its product profile consists of boiler suit, pant, long coat, short coat, jacket and trouser.

The previous detailed rating rationale is available on the following link: [Click here](#)

Key financial Indicators:

	FY2018	2019
Operating Income (Rs. crore)	284.77	411.00
OPBDIT (Rs. crore)	19.21	24.11
OPBDIT/ OI (%)	6.75%	5.87%
PAT/OI (%)	1.49%	3.00%
Total Debt/ TNW (times)	5.38	3.05
Net Worth	18.36	30.70
NCA/Debt	8%	18%

*Source: Ace Equity

Rating history for past three years

S.No	Name of Instrument	Type	Current Rating (FY2020)			Chronology of Rating History for the Past 3 years		
			Rated amount	Amount outstanding	Month-year & Rating	Month- year and Rating in		
						(Rs. crore)	21-Jan-2020	FY2019 31-Oct-2018
1	Cash-Credit	Long-term	(4.75) ^	-	[ICRA]B+ (Stable) ISSUER NOT COOPERATING	[ICRA]B+ (Stable) ISSUER NOT COOPERATING	[ICRA]B+ (Stable) ISSUER NOT COOPERATING	-
2	Term Loan	Long-term	34.00	-	[ICRA]B+ (Stable) ISSUER NOT COOPERATING	[ICRA]B+ (Stable) ISSUER NOT COOPERATING	[ICRA]B+ (Stable) ISSUER NOT COOPERATING	-
3	Export Packing Credit	Short Term	14.75	-	[ICRA]A4 ISSUER NOT COOPERATING	[ICRA]A4 ISSUER NOT COOPERATING	[ICRA]A4 ISSUER NOT COOPERATING	-
4	FDBP*/FUDBP**	Short Term	(14.75)	-	[ICRA]A4 ISSUER NOT COOPERATING	[ICRA]A4 ISSUER NOT COOPERATING	[ICRA]A4 ISSUER NOT COOPERATING	-
5	Bank Guarantee	Short Term	1.00	-	[ICRA]A4 ISSUER NOT COOPERATING	[ICRA]A4 ISSUER NOT COOPERATING	[ICRA]A4 ISSUER NOT COOPERATING	-

All figures in Rs. Crore

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