



Press Release

Pashupati Polytex Pvt. Ltd.

September 28, 2022

Ratings

Facilities	Amount (Rs. crore)	Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	65.27	IVR BB+ ISSUER NOT COOPERATING* (IVR double B plus Issuer Not Cooperating)	Revised from IVR BBB/ Stable and moved to the 'Issuer Not Cooperating' category	Simple
Short Term Bank Facility	18.35	IVR A4+ ISSUER NOT COOPERATING* (IVR A four plus Issuer Not Cooperating)	Revised from IVR A3+ and moved to the 'Issuer Not Cooperating' category	Simple
Total	83.62 (INR eighty- three crore and sixty-two lakh only)			

**Issuer did not cooperate based on best available information*

Details of Facilities are in Annexure 1

Detailed Rationale

The rating assigned to the bank facilities of and Pashupati Polytex Private Limited (PPPL) consider the common management team and operational & financial linkages between PPPL and its group concerns, Pashupati Extrusion Private Limited (PEPL), and Pashupati Laminators Private Limited (PLPL). Infomerics has taken a consolidated view of these entities referred together as Pashupati group.

The ratings revision is because of lack of adequate information regarding Pashupati Polytex Private Limited's performance and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the company is commensurate with its rating and reviews the same as per its policy.



Press Release

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the company.

Non-cooperation by Issuer

Infomerics has been regularly following up with the Company to provide the required data to monitor its assigned rating to the bank facilities, vide E-mail communications dated August 31, 2022, September 02, 2022, September 05, 2022, September 06, 2022, September 12, 2022, September 14, 2022, September 19, 2022, September 20, 2022, September 21, 2022, and concurrently over several phone calls. However, despite repeated requests by Infomerics, the Company's management has not submitted surveillance fees and all the essential details required for detailed review of the assigned ratings.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the long- term rating for the bank loan aggregating to INR 65.27 crore shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as IVR BB+ ISSUER NOT COOPERATING based on best available information (IVR double B plus Issuer Not Co-operating based on best available information) and short-term rating for the bank facilities aggregating to INR 18.35 crore shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as IVR A4+ ISSUER NOT COOPERATING based on best available information (IVR A four plus Issuer Not Cooperating based on best available information) of Pashupati Polytex Private Limited. Accordingly, the lenders, investors and other users of this rating are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the company.

Analytical Approach: Consolidated

For arriving at the ratings, Infomerics has combined the business and financial risk profiles of Pashupati Extrusion Private Limited, Pashupati Laminators Private Limited, Pashupati Polytex Private Limited, Shree Ram Polymers, and Pashupati Agencies Private Limited. This is because these companies, collectively referred to as the Pashupati Group, are under control



Press Release

of same promoters, have business and financial linkages. The list of Companies is given in Annexure 2.

Applicable Criteria:

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Rating Methodology for manufacturing companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

About the group and company

Pashupati Group since inception have strived to produce quality products with the manufacturing of Woven fabrics and Bags, Recycled Polyester Staple Fibre, Synthetic yarns, Master Batches and Polyester Chips. The group makes a wide range of PP and HDPE Woven fabrics and Bags and provide diversified packaging solutions and also a leading manufacturer of PET Master Batches, Additives & Compounds which caters to the various colouring requirements of plastic processing industries. They specialize in the production of high-quality Black PET Master Batches and specialty additives. The group also makes various qualities of synthetic yarns in its spinning mill. Now the group is diversifying into producing specialty polymers for specialized applications. Pashupati Extrusion is into manufacturing of pet chips from waste plastic.

Financials (Consolidated)*

	(INC Crore)		
For the year ended* / As On	31-03-2019	31-03-2020	31-03-2021
	Audited	Audited	Provisional
Total Operating Income	468.71	395.92	360.92
EBITDA	34.46	29.28	34.65
PAT	11.01	6.88	13.37
Total Debt	90.41	105.45	116.28
Tangible Net worth	115.56	164.52	176.81
EBITDA Margin (%)	7.36	7.40	9.60



Press Release

PAT Margin (%)	2.35	1.74	3.70
Overall Gearing Ratio (x)	0.78	0.64	0.66

* As per Infomerics Standard

Financials (Standalone)*

(INC Crore)

For the year ended* / As On	31-03-2019	31-03-2020	31-03-2021
	Audited	Audited	Provisional
Total Operating Income	309.51	252.39	175.08
EBITDA	18.76	15.54	17.91
PAT	5.32	1.55	4.01
Total Debt	48.11	53.43	67.71
Tangible Net worth	61.79	63.34	67.35
EBITDA Margin (%)	6.06	6.16	10.23
PAT Margin (%)	1.72	0.61	2.29
Overall Gearing Ratio (x)	0.78	0.84	0.81

* As per Infomerics Standard

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years:

Sr No.	Name of Instrument/ Facilities	Current Rating (Year 2022-23)			Rating History for the past 3 years		
		Type	Amount outstand ing (INC Crore)	Rating	Date(s) & Rating(s) assigned in 2021-22 August 02, 2021	Date(s) & Rating(s) assigned in 2020- 21	Date(s) & Rating(s) assigned in 2019- 20
1.	Term Loan	Long Term	40.77	IVR BB+ ISSUER NOT COOPERATING*	IVR BBB/ Stable	-	-



Press Release

Sr . N o.	Name of Instrumen t/Facilities	Current Rating (Year 2022-23)			Rating History for the past 3 years		
		Type	Amount outstan ding (INC Crore)	Rating	Date(s) & Rating(s) assigned in 2021-22 August 02, 2021	Date(s) & Rating(s) assigned in 2020- 21	Date(s) & Rating(s) assigned in 2019- 20
2.	Cash Credit	Long Term	24.50	IVR BB+ ISSUER NOT COOPERATING*	IVR BBB/ Stable	-	-
3.	Bank Guarantee	Short Term	2.50	IVR A4+ ISSUER NOT COOPERATING*	IVR A3+	-	-
4.	Letter of Credit	Short Term	15.00	IVR A4+ ISSUER NOT COOPERATING*	IVR A3+	-	-
5.	Derivative/ Forward Contract	Short Term	0.85	IVR A4+ ISSUER NOT COOPERATING*	IVR A3+	-	-

* Issuer did not cooperate based on best available information

Name and Contact Details of the Rating Analyst:

Name: Mr. Shahid Shah Tel: (033) 4803 3621 Email: shahid.shah@infomerics.com	Name: Mr. Sandeep Khaitan Tel: (033) 4803 3621 Email: sandeep.khaitan@infomerics.com
--	--

About Infomerics:

Infomerics was founded in the year 1986 by a team of highly experienced and knowledgeable finance professionals. Subsequently, after obtaining Securities Exchange Board of India registration and RBI accreditation and the activities of the company are extended to External Credit Assessment Institution (ECAI).

Adhering to best International Practices and maintaining high degree of ethics, the team of knowledgeable analytical professionals deliver credible evaluation of rating.

Infomerics evaluates wide range of debt instruments which helps corporates open horizons to raise capital and provides investors enlightened investment opportunities. The transparent, robust and credible rating has gained the confidence of Investors and Banks.

Infomerics has a pan India presence with Head Office in Delhi, branches in major cities and representatives in several locations.



Press Release

For more information visit www.infomerics.com

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is were is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy, or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Term Loan	-	-	FY2027	40.77	IVR BB+ ISSUER NOT COOPERATING*
Cash Credit	-	-	-	24.50	IVR BB+ ISSUER NOT COOPERATING*
Bank Guarantee	-	-	-	2.50	IVR A4 ISSUER NOT COOPERATING*
Letter of Credit	-	-	-	15.00	IVR A4 ISSUER NOT COOPERATING*
Derivative/Forward Contract	-	-	-	0.85	IVR A4 ISSUER NOT COOPERATING*

**Issuer did not cooperate based on best available information*



Press Release

Annexure 2: List of companies considered for consolidated analysis:

Name of the company	Consolidation Approach
Pashupati Extrusion Private Limited	Full consolidation
Pashupati Laminators Private Limited	Full consolidation
Pashupati Polytex Private Limited	Full consolidation
Shree Ram Polymers	Full consolidation
Pashupati Agencies Private Limited	Full consolidation

Annexure 3: Facility wise lender details: Not Applicable

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com