

December 12, 2023

Jaipur Rugs Company Private Limited : Continues to remain under issuer Non-Cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Unallocated	1.98	1.98	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Short Term-Fund Based/Non Fund Based- Others	60.00	60.00	[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	61.98	61.98	

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

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has kept the Long-Term and Short-term rating of Jaipur Rugs Company Private Limited in the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]B+(Stable); ISSUER NOT COOPERATING / [ICRA]A4 ; ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with Jaipur Rugs Company Private Limited, ICRA has been trying to seek information from the entity so as to monitor its performance further. ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities : [Click here](#) ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology Rating Methodology – Textile (Spinning)
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

Closely held by the Jaipur-based Chaudhary family, JRCPL was established as a partnership firm (M/s Jaipur Carpets) in 1999. In June 2006, the firm was converted to a private limited company and was renamed "Jaipur Rugs Company Private Limited". JRCPL manufactures and exports traditional and contemporary handmade rugs and carpets. The promoter, Mr. Nand Kishore

Chaudhary, has more than two decades of experience in the carpet industry. Key export markets for the company include the US, Turkey, Canada and Brazil, with around two - thirds of its sales concentrated in the US.

Key financial indicators:

Standalone	FY 2020	FY 2021
Operating Income (Rs. crore)	143.62	167.39
PAT (Rs. crore)	4.44	13.40
OPBDITA/OI (%)	13.20%	15.86%
PAT/OI (%)	3.09%	8.01%
Total Outside Liabilities/Tangible Net Worth (times)	1.15	0.80
Total Debt/OPBDITA (times)	3.51	1.44
Interest Coverage (times)	5.88	8.07

PAT: Profit after Tax; OPBDITA: Operating Profit before Depreciation, Interest, Taxes and Amortisation.

Source: MCA

Status of non-cooperation with previous CRA:

CRA	Status	Date of Release
CARE	[CARE]BB+(Stable)/[CARE]A4+; ISSUER NOT COOPERATING	November 10, 2023

Any other information: None

Rating history for past three years

	Instrument	Type	Current Rating (FY2024)			Chronology of Rating History for the past 3 years			
			Amount Rated (Rs. Crore)	Amount Outstanding (Rs. Crore)	Date & Rating in Dec 12, 2023	Date & Rating in Sep 21, 2022	Date & Rating in Aug 25, 2021	Date & Rating in Jun 25, 2020	
1.	Unallocated	Long Term	1.98	-	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]BB+(Stable); ISSUER NOT COOPERATING	
2.	Fund Based/Non Fund Based - Others	Short-term	60.00	-	[ICRA]A4 ; ISSUER NOT COOPERATING	[ICRA]A4 ; ISSUER NOT COOPERATING	[ICRA]A4 ; ISSUER NOT COOPERATING	[ICRA]A4+; ISSUER NOT COOPERATING	

Complexity level of the rated instrument

Instrument	Complexity Indicator
Long Term - Unallocated Limits	Not Applicable
Short Term-Fund Based/Non Fund Based-Others	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](#)

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Long Term - Unallocated	-	-	-	1.98	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Short Term-Fund Based/Non Fund Based- Others	-	-	-	60.00	[ICRA]A4 ; ISSUER NOT COOPERATING

Source: Jaipur Rugs Company Private Limited

Annexure-2: List of entities considered for consolidated analysis: Not Applicable

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About ICRA Limited:

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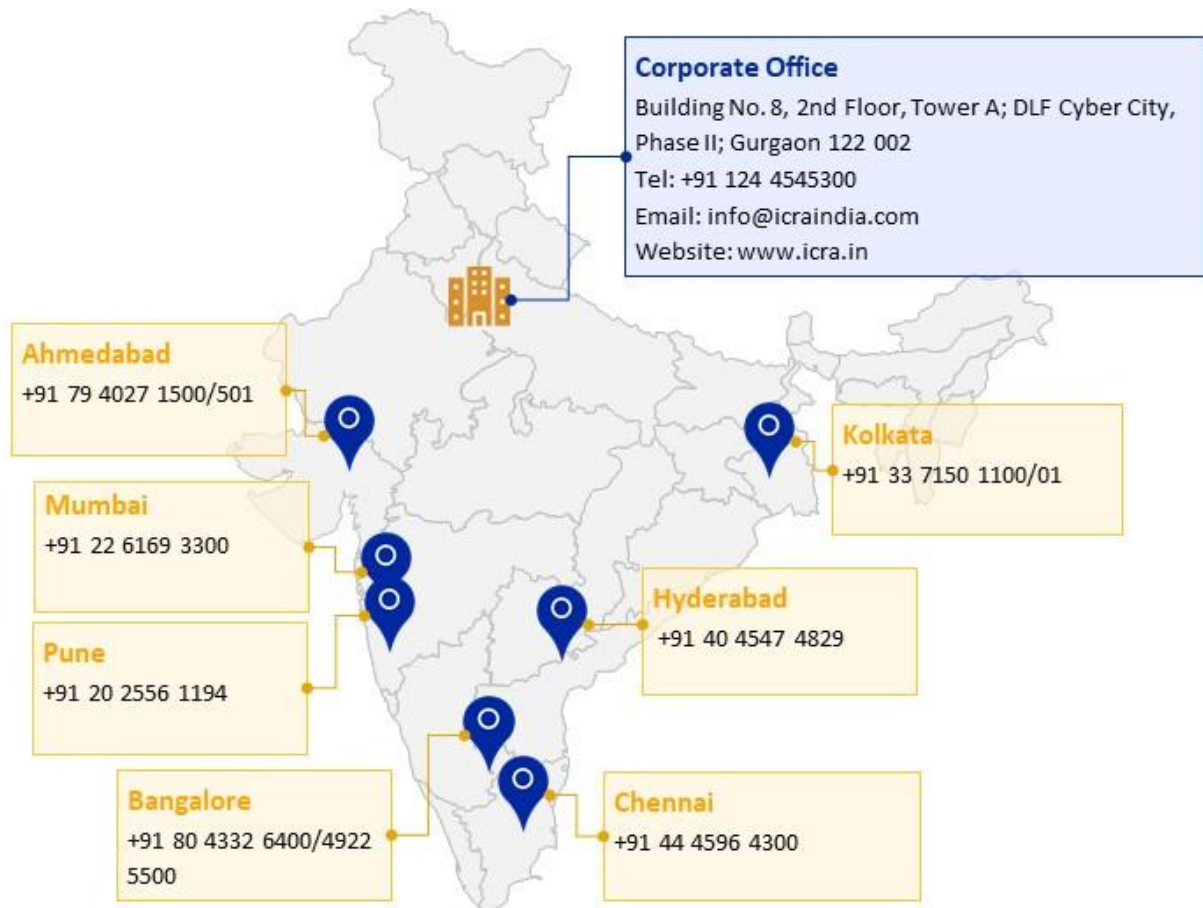
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