Press Release

PARANI SPINNING MILLS PRIVATE LIMITED
July 21, 2025
Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	16.00	ACUITE D | Reaffirmed | Issuer not co-operating*	-
Bank Loan Ratings	5.00	-	ACUITE D | Reaffirmed | Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	21.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

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

Rating Rationale

Acuité has reaffirmed the long-term rating of **'ACUITE D' (read as ACUITE D)**and the short term rating o f **'ACUITE D' (read as ACUITE D)**on the Rs. 21.00 crore bank facilities of Parani Spinning Mills Private Limited (PSPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

About the Company

Parani Spinning Mills Private Limited (PSPL), incorporated in 1988, is managed by Mr. Karuppuswamy and family. The company is engaged in manufacturing of cotton hosiery combed and melange yarns ranging from 25 to 40s counts. PSPL has its manufacturing unit at Vedasandur in Dindigul district (Tamil Nadu). The company has an installed capacity of 38912 spindles and production capacity of 9500 kgs per day. The company is utilising 90-95 percent of its production facilities. The registered office of the company is in Tirupur.

About the Group

Parani Spinning Mills Private Limited (PSMPL) and Guhan Textiles Mills Private Limited (GTMPL) together form a group. PSPL, incorporated in 1988 and managed by Mr. Karuppuswamy and family is engaged in manufacturing of cotton hosiery combed and melange yarns ranging from 25 to 40s counts. Tamil Nadu based Guhan Textiles Mills Private Limited, incorporated in 1992, is managed by Mr. Karuppusamy and his family members. It is engaged in manufacturing of cotton hosiery combed and slub yarns ranging from 25 to 66s counts.

Unsupported Rating
Not Applicable

Non-cooperation by the issuer/borrower:

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date. Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is, therefore, being flagged as “Issuer not-cooperating”, in line with prevailing SEBI regulations and Acuité’s policies.

Limitation regarding information availability

This rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower) . Acuite endeavoured to gather information about the entity/industry from the public domain. Any rating with the suffix 'Issuer not cooperating' is assigned without any management interaction with the issuer entity or any data / information from the entity. Sometimes this non co-operation by a rated entity may be due to a result of deterioration in the credit risk profile of the entity. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

Outlook

Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 23 (Actual)	FY 22 (Actual)
Operating Income	Rs. Cr.	80.44	160.60
PAT	Rs. Cr.	(13.53)	2.31
PAT Margin	(%)	(16.82)	1.44
Total Debt/Tangible Net Worth	Times	(9.74)	6.15
PBDIT/Interest	Times	(2.84)	2.41

Status of non-cooperation with previous CRA
Not Applicable

Any other information
None

Applicable Criteria
• Manufacturing Entities: https://www.acuite.in/view-rating-criteria-59.htm
• Default Recognition: https://www.acuite.in/view-rating-criteria-52.htm
• Application Of Financial Ratios And Adjustments: https://www.acuite.in/view-rating-criteria-53.htm
• Consolidation Of Companies: https://www.acuite.in/view-rating-criteria-60.htm

Note on complexity levels of the rated instrument
In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
24 Apr 2024	Cash Credit	Long Term	14.00	ACUITE D (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	0.46	ACUITE D (Reaffirmed & Issuer not co-operating*)
	Proposed Long Term Bank Facility	Long Term	1.54	ACUITE D (Reaffirmed & Issuer not co-operating*)
	Buyers Credit	Short Term	2.00	ACUITE D (Reaffirmed & Issuer not co-operating*)
	Letter of Credit	Short Term	3.00	ACUITE D (Reaffirmed & Issuer not co-operating*)
30 Jan 2023	Buyers Credit	Short Term	2.00	ACUITE D (Reaffirmed & Issuer not co-operating*)
	Letter of Credit	Short Term	3.00	ACUITE D (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	14.00	ACUITE D (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	0.46	ACUITE D (Reaffirmed & Issuer not co-operating*)
	Proposed Long Term Bank Facility	Long Term	1.54	ACUITE D (Reaffirmed & Issuer not co-operating*)

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

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
DBS Bank Ltd	Not avl. / Not appl.	Buyers Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	2.00	Simple	ACUITE D | Reaffirmed | Issuer not co-operating*
DBS Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	14.00	Simple	ACUITE D | Reaffirmed | Issuer not co-operating*
DBS Bank Ltd	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	3.00	Simple	ACUITE D | Reaffirmed | Issuer not co-operating*
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.54	Simple	ACUITE D | Reaffirmed | Issuer not co-operating*
DBS Bank Ltd	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.46	Simple	ACUITE D | Reaffirmed | Issuer not co-operating*

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

Contacts

Mohit Jain Chief Analytical Officer-Rating Operations Abhishek Singh Analyst-Rating Operations	**Contact details exclusively for investors and lenders** Mob: +91 8591310146 Email ID: analyticalsupport@acuite.in

About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

Note: None of the Directors on the Board of Acuité Ratings & Research Limited are members of any rating committee and therefore do not participate in discussions regarding the rating of any entity.