

Press Release

Providence Textiles

December 19, 2019

Rating Update



Total Bank Facilities Rated*	Rs.14.29 Cr.#
Long Term Rating	ACUITE B+ Issuer not co-operating*
Short Term Rating	ACUITE A4 Issuer not co-operating*

#Refer Annexure for details

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

Rating Rationale

Acuité has revised the long-term rating to '**ACUITE B+**' (read as **ACUITE B plus**) and the short term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.14.29 crore bank facilities of Providence Textiles. This rating is now an indicative rating and is based on best available information.

Punjab-based partnership firm Providence Textiles (PT) was established in 2011, by Mr. Sanjay Bansal and Mrs. Kanika Bansal. The firm is engaged in trading and manufacturing of woollen yarn and garments in domestic and export markets like Ireland and Bangladesh.

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 due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Trading Entities - <https://www.acuite.in/view-rating-criteria-61.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-53.htm>

Limitation regarding information availability: The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité endeavored to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity- Key Financials

The rated entity has not shared the latest financial statements despite repeated attempts.

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
08-October-2018	Cash Credit	Long Term	7.99	ACUITE B+/Stable

				(Reaffirmed)
	Term Loan	Long Term	3.30	ACUITE B+/Stable (Reaffirmed)
	Bills Discounting	Short Term	1.00	ACUITE A4 (Reaffirmed)
	Letter of Credit	Short Term	2.00	ACUITE A4 (Reaffirmed)
07-August-2017	Cash Credit	Long Term	8.00	ACUITE B+/Stable (Reaffirmed)
	Bills Discounting	Short Term	1.00	ACUITE A4 (Reaffirmed)
	Proposed cash credit	Long Term	1.00	ACUITE B+/Stable (Reaffirmed)
25-May-2016	Cash Credit	Long Term	8.00	ACUITE B+/Stable (Assigned)
	Bills Discounting	Short Term	1.00	ACUITE A4 (Assigned)
	Proposed cash credit	Long Term	1.00	ACUITE B+/Stable (Assigned)

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	7.99	ACUITE B+ Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	3.30	ACUITE B+ Issuer not co-operating*
Bills Discounting	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE A4 Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4 Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
Aditya Gupta Head- Corporate and Infrastructure Sector Tel: 022-49294041 aditya.gupta@acuite.in	Varsha Bist Manager - Rating Desk Tel: 022-49294011 rating.desk@acuite.in
Aditya Singh Ratings Analyst - Rating Operations Tel: 011-49731303 aditya.singh@acuite.in	

About Acuité Ratings & Research:

Acuité Ratings & Research Limited (*erstwhile SMERA Ratings Limited*) is a full-service Credit Rating Agency registered with the Securities and 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. Since then, it has assigned more than 6,000 credit 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 Mumbai.

Disclaimer: An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation

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