

## Press Release

**R R Dyeing**

07 May, 2018



### Rating Updated

<b>Total Bank Facilities Rated</b>	Rs. 8.50 crore#
<b>Long Term Rating</b>	SMERA BB Issuer not co-operating*

# Refer Annexure for details

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

SMERA has reviewed long term rating of '**SMERA BB**' (read as SMERA double B) on the Rs.8.50 crore bank facilities of R R Dyeing (RRD). This rating is now an indicative rating and is based on best available information.

#### Non-cooperation by the issuer/borrower:

SMERA 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 SMERA's policies.

#### Applicable Criteria

- DefaultRecognition - <https://www.smerra.in/criteria-default.htm>
- Manufacturing Entities - <https://www.smerra.in/criteria-manufacturing.htm>
- Consolidation Of Companies - <https://www.smerra.in/criteria-consolidation.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). SMERA endeavoured to gather information about the entity/industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

#### About the rated entity

RRD, established in 2003 is a Tamil Nadu-based partnership concern engaged in the dyeing and printing of grey fabrics. The firm derives ~40 percent revenue from dyeing services provided to its group companies - R R Knitting & Sons (RRKS) and Fashion Knits (FS).

The R R Group is a Tamil Nadu based group engaged in dyeing, printing of grey cloth and manufacturing of knitted garments. The group comprises three firms viz. R R Dyeing (RRD), R R Knitting & Sons (RRKS) and Fashion Knits (FK). The group exports majorly to Europe.

On consolidated basis, the R R Group reported profit after tax (PAT) of Rs.2.55 crore on operating income of Rs.126.86 crore as on March 31, 2016 as compared to PAT of Rs.1.63 crore on operating income of Rs.112.97 crore in the previous year. The net worth stood at Rs.35.17 crore as on March 31, 2016 against Rs.31.66 crore a year earlier.

#### Any other information:

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

## Rating history (last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
27 Feb, 2017	Cash Credit	Long Term	5.00	SMERA BB/Stable (Reaffirmed)
	Term Loan	Short Term	3.50	SMERA BB/Stable (Reaffirmed)
31 Jul, 2015	Cash Credit	Long Term	5.00	SMERA BB/Stable (Assigned)
	Term Loan	Short Term	3.50	SMERA BB/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
Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.00	SMERA BB Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	3.50	SMERA BB Issuer not co-operating*

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

## Contacts:

Analytical	Rating Desk
Suman Chowdhury President - SMERA Bond Ratings Tel: +91-22-6714 1107 <a href="mailto:suman.chowdhury@smera.in">suman.chowdhury@smera.in</a>	Varsha Bist Manager - Rating Desk Tel: 022-67141160 <a href="mailto:varsha.bist@smera.in">varsha.bist@smera.in</a>
Salome Farren Analyst - Rating Operations Tel: +91-22-6714 1164 <a href="mailto:salome.farren@smera.in">salome.farren@smera.in</a>	

## ABOUT SMERA

SMERA Ratings Limited is a joint initiative of SIDBI, D&B and leading public and private sector banks in India. SMERA is registered with SEBI, accredited by RBI as an External Credit Assessment Institution (ECAI), under BASEL-II norms for undertaking Bank Loan Ratings. SMERA Bond Ratings is a division of SMERA Ratings Limited responsible for ratings of bank facilities and capital market/money market debt instruments such as Bonds, Debentures, Commercial Papers, Fixed Deposits, Certificate of Deposits, etc. For more details, please visit [www.smera.in](http://www.smera.in).

**Disclaimer:** A SMERA rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. SMERA ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, SMERA, in particular, makes no

*representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. SMERA ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website ([www.smera.in](http://www.smera.in)) for the latest information on any instrument rated by SMERA.*