

## 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

- Default Recognition - <https://www.smera.in/criteria-default.htm>
- Manufacturing Entities - <https://www.smera.in/criteria-manufacturing.htm>
- Consolidation Of Companies - <https://www.smera.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.

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### ABOUT SMERA

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