

Press Release

Paramount Industries

January 11, 2022



Rating Reaffirmed and Issuer not co-operating

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|--------------------------|------------------|--|---|
| Bank Loan Ratings | 5.00 | | ACUITE A4 Reaffirmed Issuer not co-operating* |
| Bank Loan Ratings | 2.00 | ACUITE B Reaffirmed Issuer not co-operating* | |
| Total | 7.00 | - | - |

Rating Rationale

Acuité has reaffirmed the long-term rating of '**ACUITE B**' (**read as ACUITE B**) and the short term rating of '**ACUITE A4**' (**read as ACUITE A four**) on the Rs. 7.00 crore bank facilities of Paramount Industries. The rating continues to be flagged as "Issuer Not-Cooperating" and is based on best available information.

About the Company

Established in 2012 by Mr. R Satchinathan, Paramount Industries is a Chennai (Tamil Nadu) based partnership firm engaged in the manufacture of power and distribution transformers. The entity mainly supplies transformers to Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO). The entity converted from proprietorship to partnership firm in June 2017. The entity is promoted by Mr. S A Arutchelvan (90 percent) and Mr. R Satchinathan (10 percent).

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.

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

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 endeavoured 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.

Rating Sensitivity

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

Material Covenants

None

Liquidity Position

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

Outlook

Not Applicable

Status of non-cooperation with previous CRA

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

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

Rating History

| Date | Name of Instruments/Facilities | Term | Amount (Rs. Cr) | Rating/Outlook |
|-------------|--------------------------------|------------|-----------------|--------------------------------------|
| 15 Oct 2020 | Cash Credit | Long Term | 2.00 | ACUITE B (Issuer not co-operating*) |
| | Bank Guarantee | Short Term | 2.00 | ACUITE A4 (Issuer not co-operating*) |
| | Bills Discounting | Short Term | 2.00 | ACUITE A4 (Issuer not co-operating*) |
| | Proposed Bank Guarantee | Short Term | 1.00 | ACUITE A4 (Issuer not co-operating*) |
| 26 Jul 2019 | Cash Credit | Long Term | 2.00 | ACUITE B (Issuer not co-operating*) |
| | Bills Discounting | Short term | 2.00 | ACUITE A4 (Issuer not co-operating*) |
| | Bank Guarantee | Short term | 2.00 | ACUITE A4 (Issuer not co-operating*) |
| | Proposed Bank Guarantee | Short term | 1.00 | ACUITE A4 (Issuer not co-operating*) |
| 17 May 2018 | Cash Credit | Long Term | 2.00 | ACUITE B Stable (Reaffirmed) |
| | Bills Discounting | Short Term | 2.00 | ACUITE A4 (Reaffirmed) |
| | Bank Guarantee | Short Term | 2.00 | ACUITE A4 (Reaffirmed) |
| | Proposed Bank Guarantee | Short Term | 1.00 | ACUITE A4 (Reaffirmed) |
| 15 Mar 2018 | Cash Credit | Long Term | 2.00 | ACUITE B Stable (Assigned) |
| | Bills Discounting | Short Term | 2.00 | ACUITE A4 (Assigned) |
| | Bank Guarantee | Short Term | 2.00 | ACUITE A4 (Assigned) |
| | Proposed Bank Guarantee | Short Term | 1.00 | ACUITE A4 (Assigned) |

Annexure - Details of instruments rated

| Lender's Name | ISIN | Facilities | Date Of Issuance | Coupon Rate | Maturity Date | Initial Quantum (Rs. Cr.) | Quantum (Rs. Cr.) | Rating |
|----------------|----------------|------------------------------------|------------------|----------------|----------------|---------------------------|-------------------|---|
| Canara Bank | Not Applicable | Bank Guarantee/Letter of Guarantee | Not Applicable | Not Applicable | Not Applicable | 2.00 | 2.00 | ACUITE A4 Reaffirmed Issuer not co-operating* |
| Canara Bank | Not Applicable | Bills Discounting | Not Applicable | Not Applicable | Not Applicable | 2.00 | 2.00 | ACUITE A4 Reaffirmed Issuer not co-operating* |
| Canara Bank | Not Applicable | Cash Credit | Not Applicable | Not Applicable | Not Applicable | 2.00 | 2.00 | ACUITE B Reaffirmed Issuer not co-operating* |
| Not Applicable | Not Applicable | Proposed Bank Guarantee | Not Applicable | Not Applicable | Not Applicable | 1.00 | 1.00 | ACUITE A4 Reaffirmed Issuer not co-operating* |

Contacts

| Analytical | Rating Desk |
|---|--|
| Aditya Gupta Vice President-Rating Operations Tel: 022-49294041 aditya.gupta@acuite.in | Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuite.in |
| Salony Goradia Senior Analyst-Rating Operations Tel: 022-49294065 salony.goradia@acuite.in | |

About Acuité Ratings & Research

Acuité Ratings & Research 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 8,850 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 KanjurMarg, Mumbai.

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