



## Press Release

**Bhuvaneshwari Cotspin India Private Limited**

**December 18, 2024**

**Rating Downgraded, Reaffirmed, Withdrawn and Issuer not co-operating**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	21.35	ACUITE BB   Downgraded & Withdrawn   Issuer not co-operating*	-
Bank Loan Ratings	40.00	Not Applicable   Withdrawn	-
Bank Loan Ratings	0.65	-	ACUITE A4+   Reaffirmed & Withdrawn   Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	62.00	-	-

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

## Rating Rationale

Acuite has downgraded and withdrawn its long term rating to **'ACUITE BB' (read as ACUITE double Bf)** from **'ACUITE BB+' (read as ACUITE double B plus)** on the Rs 21.35 crore bank facilities of Bhuvaneshwari Cotspin India Private Limited (BCIPL).

Acuite has reaffirmed and withdrawn its short term rating to **ACUITE A4+ (read as ACUITE A four plus)** on the Rs 0.65 crore bank facilities of Bhuvaneshwari Cotspin India Private Limited (BCIPL).

Further, Acuite has withdrawn its long-term proposed limit on the Rs 40.00 crore bank facilities of Bhuvaneshwari Cotspin India Private Limited without assigning any rating as it is a proposed facility.

This rating continuous flagged as "Issuer Not-Cooperating" on account of information risk and is based on the best available information.

The rating has been downgraded on account of information risk .

The rating has been withdrawn as per Acuite's policy of withdrawal of ratings as applicable to the respective instrument/facility. The rating has been withdrawn on account of the request received from the company and the NOC (No Objection Certificate) received from the banker.

## About the Company

BCIPL is a Tamil Nadu based private limited company incorporated in 2003. The company is engaged in manufacturing of cotton and blended yarn and fabric. The company is promoted by Mr. Loganathan. The company is also supported by second generation, Mr. Paramesh Kumar and Mr. Subramaniam. BCIPL caters to various segments of the textile industry.

## Unsupported Rating

Not Applicable

## Non-cooperation by the issuer/borrower:

Acuite 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. Acuite believes that information risk is a critical component in such ratings, and noncooperation 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 Acuite'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.

**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.	243.03	358.01
PAT	Rs. Cr.	6.26	7.80
PAT Margin	(%)	2.58	2.18
Total Debt/Tangible Net Worth	Times	0.31	0.77
PBDIT/Interest	Times	5.13	4.72

### 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>

### 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. Acuité'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](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
20 Sep 2023	Bank Guarantee (BLR)	Short Term	0.65	ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A3+)
	Cash Credit	Long Term	17.00	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB   Stable)
	Secured Overdraft	Long Term	13.00	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB   Stable)
	Proposed Long Term Bank Facility	Long Term	4.05	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB   Stable)
	Term Loan	Long Term	3.75	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB   Stable)
	Term Loan	Long Term	11.70	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB   Stable)
	Term Loan	Long Term	4.35	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB   Stable)
	Working Capital Term Loan	Long Term	7.50	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB   Stable)
13 Jul 2022	Bank Guarantee (BLR)	Short Term	0.65	ACUITE A3+ (Reaffirmed)
	Cash Credit	Long Term	17.00	ACUITE BBB   Stable (Reaffirmed)
	Secured Overdraft	Long Term	13.00	ACUITE BBB   Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	4.05	ACUITE BBB   Stable (Reaffirmed)
	Term Loan	Long Term	3.75	ACUITE BBB   Stable (Reaffirmed)
	Term Loan	Long Term	11.70	ACUITE BBB   Stable (Reaffirmed)
	Term Loan	Long Term	4.35	ACUITE BBB   Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	7.50	ACUITE BBB   Stable (Reaffirmed)
07 May 2021	Bank Guarantee (BLR)	Short Term	0.65	ACUITE A3+ (Upgraded from ACUITE A3)
	Cash Credit	Long Term	17.00	ACUITE BBB   Stable (Upgraded from ACUITE BBB-   Stable)
	Proposed Long Term Bank Facility	Long Term	4.05	ACUITE BBB   Stable (Upgraded from ACUITE BBB-   Stable)
	Secured Overdraft	Long Term	13.00	ACUITE BBB   Stable (Upgraded from ACUITE BBB-   Stable)
	Term Loan	Long Term	11.70	ACUITE BBB   Stable (Upgraded from ACUITE BBB-   Stable)
	Term Loan	Long Term	3.75	ACUITE BBB   Stable (Upgraded from ACUITE BBB-   Stable)
	Term Loan	Long Term	4.35	ACUITE BBB   Stable (Upgraded from ACUITE BBB-   Stable)
	Working Capital Term Loan	Long Term	7.50	ACUITE BBB   Stable (Assigned)

\* 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
Karur Vysya Bank	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.65	Simple	ACUITE A4+   Reaffirmed & Withdrawn   Issuer not co-operating*
Karur Vysya Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	17.00	Simple	ACUITE BB   Downgraded & Withdrawn   Issuer not co-operating* ( from ACUITE BB+ )
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	4.05	Simple	Not Applicable Withdrawn
Karnataka Bank Ltd	Not avl. / Not appl.	Secured Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	13.00	Simple	Not Applicable Withdrawn
Karnataka Bank Ltd	Not avl. / Not appl.	Term Loan	01 Jul 2016	Not avl. / Not appl.	30 Jun 2022	3.75	Simple	Not Applicable Withdrawn
Karnataka Bank Ltd	Not avl. / Not appl.	Term Loan	01 Mar 2019	Not avl. / Not appl.	28 Feb 2026	11.70	Simple	Not Applicable Withdrawn
Karur Vysya Bank	Not avl. / Not appl.	Term Loan	01 Sep 2016	Not avl. / Not appl.	31 Aug 2023	4.35	Simple	ACUITE BB   Downgraded & Withdrawn   Issuer not co-operating* ( from ACUITE BB+ )
Karnataka Bank Ltd	Not avl. / Not appl.	Working Capital Term Loan	03 Feb 2021	Not avl. / Not appl.	31 May 2024	7.50	Simple	Not Applicable Withdrawn

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## Contacts

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### About Acuité Ratings & Research

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