



Press Release

Nirmala Filaments India Private Limited

June 07, 2024

Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	5.75	ACUITE C Downgraded Issuer not co-operating*	-
Bank Loan Ratings	4.25	-	ACUITE A4 Downgraded Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	10.00	-	-

Rating Rationale

Acuite has downgraded its long-term rating to '**ACUITE C**' (read as **ACUITE C**) from '**ACUITE BBB+**' (read as **ACUITE Triple B Plus**) and short-term rating to '**ACUITE A4**' (read as **ACUITE A Four**) from '**ACUITE A2**' (read as **ACUITE A Two**) on the Rs.10.00 Cr. bank facilities of Nirmala Filaments India Private Limited (NFIPL). This rating is now an indicative rating and is based on best available information. The downgrade is on account of information risk.

About the Company

Incorporated in 1998, Nirmala Filaments India Private Limited (NFIPL) is based in Kerala and engaged in the manufacturing of nylon yarn and lines which is being used for commercial fishing gears. The company is currently managed by Mr. Gisto Joseph and Mr. Biju Thomas.

About the Group

Based in Tamil Nadu, Nirmala Monofil Private Limited (NMPL) is incorporated in the year 2002. It is engaged in the manufacturing of nylon monofilament yarn and fishing nets, polyester lines for stay wire application, and nylon weed cutters. NMPL is promoted by Mr. Ginoy Joseph and Mr. Biju Thomas.

Incorporated in 2008 and based in Tamil Nadu, Nirmala Polyropes India Private Limited (NPIPL) is engaged in the manufacturing of HDPE twines, fishnet, and danline ropes in various grades for trawling, gill netting, aquaculture, agriculture, safety & various other commercial needs. Mr. Gisto Joseph, and Mr. Biju Thomas are the directors of the company.

Unsupported Rating

Not Applicable

Non-cooperation by the issuer/borrower

Acuité has been requesting for No Default Statements (NDS); however, despite multiple requests; the Company's management has remained non-cooperative and not submitted the NDS for the preceding 03 consecutive months. Acuité 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 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 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.

Rating Sensitivities

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.	99.93	111.68
PAT	Rs. Cr.	5.24	7.91
PAT Margin	(%)	5.24	7.09
Total Debt/Tangible Net Worth	Times	0.04	0.06
PBDIT/Interest	Times	14.78	25.01

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite'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.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
22 Nov 2023	Cash Credit	Long Term	0.50	ACUITE BBB+ Stable (Reaffirmed)
	Letter of Credit	Short Term	4.25	ACUITE A2 (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	5.25	ACUITE BBB+ Stable (Reaffirmed)
26 Aug 2022	Cash Credit	Long Term	0.50	ACUITE BBB+ Stable (Reaffirmed)
	Letter of Credit	Short Term	4.25	ACUITE A2 (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	5.25	ACUITE BBB+ Stable (Reaffirmed)
17 Jun 2021	Cash Credit	Long Term	0.50	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)
	Letter of Credit	Short Term	4.00	ACUITE A2 (Upgraded from ACUITE A3+)
	Proposed Long Term Bank Facility	Long Term	3.14	ACUITE BBB+ Stable (Assigned)
	Term Loan	Long Term	2.36	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Federal Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	0.50	ACUITE C Downgraded Issuer not co-operating* (from ACUITE BBB+)
Federal Bank	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	4.25	ACUITE A4 Downgraded Issuer not co-operating* (from ACUITE A2)
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	5.25	ACUITE C Downgraded Issuer not co-operating* (from ACUITE BBB+)

***Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)**

1. Nirmala Polyropes India Private Limited
2. Nirmala Filaments India Private Limited
3. Nirmala Monofil Private Limited

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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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