

Press Release

Paramount Textile Mills Private Limited

December 24, 2021



Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	16.50		ACUITE A4+ Downgraded Issuer not co-operating*
Bank Loan Ratings	16.50	ACUITE BB+ Downgraded Issuer not co-operating*	
Total	33.00	-	-

* Refer Annexure for details

Rating Rationale

Acuité has downgraded the long term rating to 'ACUITE BB+' (read as ACUITE double B plus) from 'ACUITE BBB' (read as ACUITE triple B) and the short term rating to 'ACUITE A4+' (read as ACUITE A four plus) from 'ACUITE A3+' (read as ACUITE A three plus) on the Rs.33.00 crore bank facilities of Paramount Textile Mills Private Limited (PTPL). The rating is now flagged as 'Issuer Not- Cooperating' and is downgraded is on account of information risk.

About the Company

Incorporated in 1979, Paramount Textile Mills Private Limited (PTPL) is a Madurai based company, which is engaged in manufacturing and export of grey fabrics and made-ups. Currently, the company is headed by Mr. M. Ramu. The company has a capacity of 72 lacs meters for weaving division and a capacity of 8.20 sets for made-ups division. PTPL exports its product to various countries like USA, Israel, Germany, Portugal, to name a few.

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 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 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."

Material Covenants

None.

Liquidity Position

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

Outlook

Not Applicable

Key Financial

Key Financial The rated entity has not shared the latest financial statements despite repeated requests.

Status of non-cooperation with previous CRA

Not Applicable

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

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

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
05 Oct 2020	Letter of Credit	Short Term	7.50	ACUITE A3+ (Upgraded from ACUITE A3)
	Bills Discounting	Short Term	9.00	ACUITE A3+ (Upgraded from ACUITE A3)
	Term Loan	Long Term	4.50	ACUITE BBB Stable (Upgraded from ACUITE BBB- Stable)
	Cash Credit	Long Term	5.00	ACUITE BBB Stable (Upgraded from ACUITE BBB- Stable)
	Cash Credit	Long Term	7.00	ACUITE BBB Stable (Upgraded from ACUITE BBB- Stable)
03 May 2019	Term Loan	Long Term	4.50	ACUITE BBB- Stable (Assigned)
	Letter of Credit	Short Term	7.50	ACUITE A3 (Assigned)
	Cash Credit	Long Term	5.00	ACUITE BBB- Stable (Assigned)
	Bills Discounting	Short Term	9.00	ACUITE A3 (Assigned)
	Cash Credit	Long Term	7.00	ACUITE BBB- Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
IDBI Ltd	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	7.00	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB)
Canara Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB)
IDBI Ltd	Not Applicable	FBN/FBP/FBD/PSFC/FBE	Not Applicable	Not Applicable	Not Applicable	9.00	ACUITE A4+ Downgraded Issuer not co-operating* (from ACUITE A3+)
IDBI Ltd	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	7.50	ACUITE A4+ Downgraded Issuer not co-operating* (from ACUITE A3+)
IDBI Ltd	Not Applicable	Term Loan	Not available	Not available	Not available	4.50	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB)

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

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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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