

## Press Release

### Parvathi Dyeing

June 09, 2020



### Rating Update

<b>Total Bank Facilities Rated*</b>	Rs.18.00 Cr. #
<b>Long Term Rating</b>	ACUITE BB- (Downgraded from ACUITE BB/ Stable) Issuer not co-operating*
<b>Short Term Rating</b>	ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating*

# Refer Annexure for details

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

### Rating Rationale

Acuité has downgraded the long-term rating to '**ACUITE BB- (read as ACUITE double B minus)**' from '**ACUITE BB (read as ACUITE double B)**' and short-term rating to '**ACUITE A4 (read as ACUITE A four)**' from '**ACUITE A4+ (read as ACUITE A four plus)**' on the Rs.18.00 crore bank facilities of Parvathi Dyeing. This rating is now an indicative rating and is downgraded on account of information risk.

Parvathi Dyeing (PD) is a partnership firm engaged in processing fabric dyeing. The process involves, stentering to avoid shrinkages, bleaching and compacting.

The firm was established in 1985 by Mrs. And Mr. Loganathan. Currently his son Mr. Parmeshwaran and his wife Rajeshwari, joined in the operations as partners in 2002. The firm is part of Bhuvaneshwari Group, with other group companies Bhuvaneshwari Cotspin India Pvt. Ltd. (ACUITE BBB-/Stable), Bhuvaneshwari Tex and BTEx International. Bhuvaneshwari Tex and BTEx International, both are engaged in export of RMG. PD derives 25-30% of its income from its group companies

### 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.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

### Applicable Criteria

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

### Status of non-cooperation with previous CRA (if applicable)

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.

### Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
03-May-2019	Cash Credit	Long Term	4.00	ACUITE BB/ Stable (Assigned)
	Term Loan	Long Term	4.30	ACUITE BB/ Stable (Assigned)
	Term Loan	Long Term	3.20 <sup>#</sup>	ACUITE BB/ Stable (Assigned)
	Proposed Bank Facility	Long Term	6.30	ACUITE BB/ Stable (Assigned)
	Bank Guarantee/ Letter of Guarantee	Short Term	0.20	ACUITE A4+ (Assigned )

<sup>#</sup>Sublimit of Rs. 3.20 crore FLC

### #Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE BB- (Downgraded from ACUITE BB/ Stable) Issuer not co-operating*
Term Loan	Sept 2017	Not Applicable	Aug 2020	4.30	ACUITE BB- (Downgraded from ACUITE BB/ Stable) Issuer not co-operating*
Term Loan	Sept 2017	Not Applicable	March 2023	3.20 <sup>#</sup>	ACUITE BB- (Downgraded from ACUITE BB/ Stable) Issuer not co-operating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	6.30	ACUITE BB- (Downgraded from ACUITE BB/ Stable) Issuer not co-operating*
Bank Guarantee/ Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	0.20	ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating*

<sup>#</sup>Sublimit of Rs. 3.20 crore FLC

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

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**About Acuité Ratings & Research:**

Acuité Ratings & Research Limited (Erstwhile SMERA Ratings 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 6,000 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 Mumbai.

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