



## Press Release

Natraj Home Furnishings Private Limited

November 18, 2024

### Rating Downgraded, Reaffirmed, Withdrawn and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	6.75	ACUITE B   Downgraded & Withdrawn   Issuer not co-operating*	-
Bank Loan Ratings	1.50	Not Applicable   Withdrawn	-
Bank Loan Ratings	6.75	-	ACUITE A4   Reaffirmed & Withdrawn   Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	15.00	-	-

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

## Rating Rationale

Acuite has downgraded and withdrawn its long-term rating to 'ACUITE B' (read as ACUITE B) from 'ACUITE B+' (read as ACUITE B Plus) and reaffirmed and withdrawn the short-term rating of 'ACUITE A4' (read as ACUITE A Four) on Rs.13.50 Cr. bank facilities of Natraj Home Furnishings Private Limited.

Acuite has also withdrawn its rating on the proposed long-term facilities of Rs.1.50 Cr. without assigning any rating as it is a proposed facility of Natraj Home Furnishings Private Limited.

The rating continues to be flagged as "Issuer Not Cooperating" and is based on the best available information. The rating downgrade is 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The rating has been withdrawn as per Acuite's policy of withdrawal of ratings as applicable to the respective instrument/facility. The rating has been withdrawn on account of the request received from the company and the NOC (No Objection Certificate) received from the banker.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

Haryana based, Natraj Home Furnishings Private Limited was incorporated in 2004. The company is engaged in the manufacturing and exports of curtains, bed linen, cushions, tablecloths and runners etc. The company has 3 plants; two of which are located in Kundli and one is located in Barhi in Haryana. NHFPL generates 100 percent of its revenue from exports, mainly to countries such as USA, Spain, and France to name a few. Its promoters are Mr Deepak Wadhvani, Mr Kapil Wadhvani and Mr Dhruv Arora.

## 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 non co-operation 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 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 22 (Actual)	FY 21 (Actual)
Operating Income	Rs. Cr.	87.33	63.90
PAT	Rs. Cr.	1.59	1.00
PAT Margin	(%)	1.82	1.56
Total Debt/Tangible Net Worth	Times	4.67	5.63
PBDIT/Interest	Times	1.89	1.68

### 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
24 Nov 2023	FBN/FBP/FBD/PSFC/FBE	Short Term	6.75	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Proposed Long Term Bank Facility	Long Term	1.50	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	PC/PCFC	Long Term	6.75	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
06 Sep 2022	FBN/FBP/FBD/PSFC/FBE	Short Term	6.75	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Proposed Long Term Bank Facility	Long Term	1.50	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	PC/PCFC	Long Term	6.75	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
11 Jun 2021	Bills Discounting	Short Term	6.75	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Proposed Long Term Bank Facility	Long Term	1.50	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	PC/PCFC	Long Term	6.75	ACUITE B+ (Reaffirmed & Issuer not co-operating*)

\* 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
Canara Bank	Not avl. / Not appl.	FBN/FBP/FBD/PSFC/FBE	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	6.75	Simple	ACUITE A4   Reaffirmed & Withdrawn   Issuer not co-operating*
Canara Bank	Not avl. / Not appl.	PC/PCFC	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	6.75	Simple	ACUITE B   Downgraded & Withdrawn   Issuer not co-operating* ( from ACUITE B+ )
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.50	Simple	Not Applicable   Withdrawn

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

## Contacts

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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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