

Press Release

Sindh Garments

March 15, 2022



Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	42.00	ACUITE BB+ Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	42.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Refer Annexure for details

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

Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE BBB-**' (read as **ACUITE triple B minus**) on the Rs.42.00 crore bank facilities of Sindh Garments (SG). The rating is now flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

About the Firm

Sindh Garments (SG), established in 2000 by Mr. Premchand Hirwani and Mr. Sanjay Hirwani is based out of Nagpur, Maharashtra. It is primarily engaged in wholesale trading of readymade garments. Although the firm was established in 2000, the Hirwani family has been engaged in this business for the last 50 years.

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-cooperation by the issuer along with an 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). Acuite endeavored to gather information about the entity / industry from the public domain. Therefore, Acuite 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

Not Applicable

Liquidity Indicators

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

Outlook

Not Applicable

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

Not Applicable

Any other information

None

Applicable Criteria

- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Trading Entitle: <https://www.acuite.in/view-rating-criteria-61.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
23 Dec 2020	Working Capital Demand Loan	Long Term	5.70	ACUITE BBB- Stable (Assigned)
	Proposed Bank Facility	Long Term	0.10	ACUITE BBB- Stable (Assigned)
	Cash Credit	Long Term	22.00	ACUITE BBB- Stable (Assigned)
	Term Loan	Long Term	4.50	ACUITE BBB- Stable (Assigned)
	Working Capital Term Loan	Long Term	2.20	ACUITE BBB- Stable (Assigned)
	Term Loan	Long Term	7.50	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
Punjab National Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	22.00	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB-)
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	0.10	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB-)
Punjab National Bank	Not Applicable	Term Loan	01-02-2020	11.45	31-05-2024	7.50	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB-)
Indian Bank	Not Applicable	Term Loan	01-09-2019	Not available	30-09-2026	4.50	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB-)
Punjab National Bank	Not Applicable	Working Capital Demand Loan (WCDL)	Not available	Not available	Not available	5.70	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB-)
Punjab National Bank	Not Applicable	Working Capital Term Loan	Not available	Not available	Not available	2.20	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB-)

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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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