

Press Release

Nuvocraft Apparels India Private Limited

September 14, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	10.84	ACUITE D Reaffirmed Issuer not co-operating*	-
Bank Loan Ratings	2.00	-	ACUITE D Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	12.84	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long term rating to '**ACUITE D**' (read as **ACUITE D**) and short term rating of '**ACUITE D**' (read as **ACUITE D**) on the Rs.12.84Cr bank facilities of Nuvocraft Apparels Private Limited (NAPL).

The rating is continued to be **ACUITE D** as the lenders informed that there are continuous delays in the loan repayment and account is classified under SMA-2. The rating is now flagged as an indicative rating, and based on the best available information.

About the Company

Incorporated in 2006, NAIP is a Bangalore, Karnataka based company is engaged in manufacturing of readymade garments. It is promoted by Mr. Stephen Verghese and Mr. Govindaraju Yedla. Promoters have an experience of more than two decades in the Textiles and Apparels industry.

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 noncooperation 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). Acuité has 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 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 Financials

Particulars	Unit	FY 21 (Provisional)	FY 20 (Actual)
Operating Income	Rs. Cr.	18.60	25.72
PAT	Rs. Cr.	(0.67)	0.02
PAT Margin	(%)	(3.58)	0.06
Total Debt/Tangible Net Worth	Times	1.78	1.63
PBDIT/Interest	Times	1.24	1.96

Key Financials:

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

Status of non-cooperation with previous CRA

Not Available

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>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
23 Jun 2021	Cash Credit	Long Term	3.00	ACUITE D (Downgraded from ACUITE BB-)
	Proposed Long Term Loan	Long Term	1.41	ACUITE D (Downgraded from ACUITE BB-)
	Term Loan	Long Term	0.43	ACUITE D (Downgraded from ACUITE BB-)
	Working Capital Term Loan	Long Term	1.43	ACUITE D (Downgraded from ACUITE BB-)
	Term Loan	Long Term	0.70	ACUITE D (Downgraded from ACUITE BB-)
	Term Loan	Long Term	1.18	ACUITE D (Downgraded from ACUITE BB-)
	Working Capital Term Loan	Long Term	0.84	ACUITE D (Downgraded from ACUITE BB-)
	Term Loan	Long Term	0.37	ACUITE D (Downgraded from ACUITE BB-)
	Term Loan	Long Term	1.48	ACUITE D (Downgraded from ACUITE BB-)
	Proposed Bank Facility	Long Term	2.00	ACUITE D (Downgraded from ACUITE BB-)
07 Sep 2020	Term Loan	Long Term	3.84	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Packing Credit	Short Term	5.00	ACUITE A4 (Downgraded and Issuer not co-operating*)
	Proposed Bank Facility	Long Term	1.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	3.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
28 Jun 2019	Term Loan	Long Term	3.84	ACUITE BB Stable (Downgraded from ACUITE BB+ Stable)
	Packing Credit	Short Term	5.00	ACUITE A4+ (Assigned)
	Proposed Bank Facility	Long Term	1.00	ACUITE BB Stable (Assigned)
	Cash Credit	Long Term	3.00	ACUITE BB Stable (Downgraded from ACUITE BB+ Stable)
28 May 2018	Term Loan	Long Term	3.84	ACUITE BB+ Stable (Assigned)
	Proposed Cash Credit	Long Term	4.00	ACUITE BB+ Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Deutsche Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE D Reaffirmed Issuer not co-operating*
Deutsche Bank	Not Applicable	PC/PCFC	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE D Reaffirmed Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Term Loan	Not Applicable	Not Applicable	Not Applicable	1.41	ACUITE D Reaffirmed Issuer not co-operating*
Small Industries Development Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	0.43	ACUITE D Reaffirmed Issuer not co-operating*
Small Industries Development Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	0.70	ACUITE D Reaffirmed Issuer not co-operating*
Small Industries Development Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	1.48	ACUITE D Reaffirmed Issuer not co-operating*
Small Industries Development Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	0.37	ACUITE D Reaffirmed Issuer not co-operating*
Small Industries Development Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	1.18	ACUITE D Reaffirmed Issuer not co-operating*
Small Industries Development Bank of India	Not Applicable	Working Capital Term Loan	Not available	Not available	Not available	1.43	ACUITE D Reaffirmed Issuer not co-

							operating*
Small Industries Development Bank of India	Not Applicable	Working Capital Term Loan	Not available	Not available	Not available	0.84	ACUITE D Reaffirmed Issuer not co-operating*

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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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