

Press Release

NUVOCRAFT APPARELS INDIA PRIVATE LIMITED

June 17, 2024

Rating Reaffirmed, Withdrawn & Issuer Not Cooperating



Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Ratings Loan	3.00	ACUITE D Reaffirmed & Withdrawn Issuer not co-operating*	-
Bank Ratings Loan	7.84	Not Applicable Withdrawn	-
Bank Ratings Loan	2.00	-	ACUITE D Reaffirmed & Withdrawn Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	12.84	-	-

Rating Rationale

Acuite has reaffirmed & withdrawn the long-term rating to 'ACUITE D' (read as ACUITE D) on the Rs.3.00 crore bank facilities also reaffirmed & withdrawn the short term rating to 'ACUITE D' (read as ACUITE D) on the Rs.2.00 crore bank facilities of Nuvocraft Apparels India Private Limited (NAIPL). Acuite has also withdrawn the long term proposed rating on the Rs.1.41 crore bank facilities without assigning any rating of Nuvocraft Apparels India Private Limited (NAIPL). The rating withdrawal is in accordance with Acuite's policy on withdrawal of rating as applicable to the respective facility / instrument. The rating is being withdrawn on account of request received from the company and NOC received from the banker.

Acuite has also withdrawn the long term rating on the Rs.6.43 crore bank facilities without assigning any rating of Nuvocraft Apparels India Private Limited (NAIPL) as the instrument is fully repaid. The rating withdrawal is in accordance with Acuite's policy on withdrawal of rating as applicable to the respective facility / instrument. The rating is being withdrawn on account of request received from the company and NDC received from the banker.

The rating continues to be flagged as "Issuer Not Cooperating" and is based on best available information.

About the Company

Incorporated in 2006, Nuvocraft Apparels India Private Limited (NAIPL) is a Bangalore, Karnataka based company 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.

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.

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.

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 Sensitivity

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

Liquidity Position

No information provided by the issuer / available for Acuité 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.	14.20	18.32
PAT	Rs. Cr.	(3.10)	(1.43)
PAT Margin	(%)	(21.86)	(7.82)
Total Debt/Tangible Net Worth	Times	2.80	1.83
PBDIT/Interest	Times	(1.55)	0.71

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, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite'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 <http://www.acuite.in>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
11 Dec 2023	Cash Credit	Long Term	3.00	ACUITE D (Reaffirmed & Issuer not co-operating*)
	PC/PCFC	Short Term	2.00	ACUITE D (Reaffirmed & Issuer not co-operating*)
	Proposed Term Loan	Long Term	1.41	ACUITE D (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	0.43	ACUITE D (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	0.70	ACUITE D (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	1.48	ACUITE D (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	0.37	ACUITE D (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	1.18	ACUITE D (Reaffirmed & Issuer not co-operating*)
	Working Capital Term Loan	Long Term	1.43	ACUITE D (Reaffirmed & Issuer not co-operating*)
	Working Capital Term Loan	Long Term	0.84	ACUITE D (Reaffirmed & Issuer not co-operating*)
14 Sep 2022	Cash Credit	Long Term	3.00	ACUITE D (Reaffirmed & Issuer not co-operating*)
	PC/PCFC	Short Term	2.00	ACUITE D (Reaffirmed & Issuer not co-operating*)
	Proposed Term Loan	Long Term	1.41	ACUITE D (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	0.43	ACUITE D (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	0.70	ACUITE D (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	1.48	ACUITE D (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	0.37	ACUITE D (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	1.18	ACUITE D (Reaffirmed & Issuer not co-operating*)
	Working Capital Term Loan	Long Term	1.43	ACUITE D (Reaffirmed & Issuer not co-operating*)
	Working Capital Term Loan	Long Term	0.84	ACUITE D (Reaffirmed & Issuer not co-operating*)
23 Jun 2021	Cash Credit	Long Term	3.00	ACUITE D (Downgraded from ACUITE BB-)
	Proposed Long Term Bank Facility	Long Term	2.00	ACUITE D (Downgraded from ACUITE BB-)
	Proposed Long Term Loan	Long Term	1.41	ACUITE D (Downgraded from ACUITE BB-)
	Term Loan	Long Term	1.18	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-)
		Long		ACUITE D (Downgraded from ACUITE BB-)

	Term Loan	Term	0.70	BB-)
	Term Loan	Long Term	0.43	ACUITE D (Downgraded from ACUITE BB-)
	Working Capital Term Loan	Long Term	0.84	ACUITE D (Downgraded from ACUITE BB-)
	Working Capital Term Loan	Long Term	1.43	ACUITE D (Downgraded from ACUITE BB-)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Deutsche Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	3.00	ACUITE D Reaffirmed & Withdrawn Issuer not co-operating*
Deutsche Bank	Not avl. / Not appl.	PC/PCFC	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	2.00	ACUITE D Reaffirmed & Withdrawn Issuer not co-operating*
Not Applicable	Not avl. / Not appl.	Proposed Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	1.41	Not Applicable Withdrawn
Small Industries Development Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	0.43	Not Applicable Withdrawn
Small Industries Development Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	0.70	Not Applicable Withdrawn
Small Industries Development Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	1.48	Not Applicable Withdrawn
Small Industries Development Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	0.37	Not Applicable Withdrawn
Small Industries Development Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	1.18	Not Applicable Withdrawn
Small Industries Development Bank of India	Not avl. / Not appl.	Working Capital Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	1.43	Not Applicable Withdrawn
Small Industries Development Bank of India	Not avl. / Not appl.	Working Capital Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	0.84	Not Applicable Withdrawn

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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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