

## Press Release

### Guhan Textile Mills Private Limited

Aug 04, 2020

### Rating Update



|                                     |                                      |
|-------------------------------------|--------------------------------------|
| <b>Total Bank Facilities Rated*</b> | Rs. 21.00 Cr #                       |
| <b>Long Term Rating</b>             | ACUITE D<br>Issuer not co-operating* |
| <b>Short Term Rating</b>            | ACUITE D<br>Issuer not co-operating* |

#Refer Annexure for details

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

Acuité has reviewed the long term rating of '**ACUITE D' (read as ACUITE D)** and the short term rating to '**ACUITE D' (read as ACUITE D)** on the Rs. 21.00 crore bank facilities of Guhan Textile Mills Private Limited (GTPL). This rating is now an indicative rating and is based on the best available information.

GTPL, incorporated in 1992, is managed by Mr. Karuppusamy and his family members. It is engaged in manufacturing of cotton hosiery combed and slub yarns ranging from 25 to 66s counts. GTPL has its manufacturing unit at Vendasandur in Dindigul district (Tamil Nadu). The company has an installed capacity of 40944 spindles and production capacity of 9000 kgs per day. The company is utilising 90-95 percent of its production facilities.

#### 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 the due date.

This rating continues to be flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

#### Applicable Criteria

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

None

#### 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 (Up to last three years)

| Date              | Name of Instrument / Facilities | Term       | Amount (Rs. Cr) | Ratings/Outlook                                                  |
|-------------------|---------------------------------|------------|-----------------|------------------------------------------------------------------|
| 08 May, 2019      | Cash Credit                     | Long Term  | 14.00           | ACUITE D<br>(Downgraded from ACUITE B-) Issuer not co-operating* |
|                   | Term loans                      | Long Term  | 2.55            | ACUITE D<br>(Downgraded from ACUITE B-) Issuer not co-operating* |
|                   | Buyers Credit                   | Short Term | 0.65            | ACUITE D<br>(Downgraded from ACUITE A4) Issuer not co-operating* |
|                   | Letter of Credit                | Short Term | 3.00            | ACUITE D<br>(Downgraded from ACUITE A4) Issuer not co-operating* |
|                   | Proposed Bank Facility          | Long Term  | 0.80            | ACUITE D<br>(Downgraded from ACUITE B-) Issuer not co-operating* |
| 06 March, 2018    | Term Loan                       | Long Term  | 14.00           | ACUITE B-/Stable<br>(Reaffirmed)                                 |
|                   | Term loans                      | Long Term  | 1.70            | ACUITE B-/Stable<br>(Reaffirmed)                                 |
|                   | Buyers Credit                   | Short Term | 2.00            | ACUITE A4<br>(Reaffirmed)                                        |
|                   | Letter of Credit                | Short Term | 3.00            | ACUITE A4<br>(Reaffirmed)                                        |
|                   | Proposed Long Term Loan         | Long Term  | 0.30            | ACUITE B-/Stable<br>(Reaffirmed)                                 |
| 05 December, 2016 | Cash Credit                     | Long Term  | 14.00           | ACUITE B-/Stable<br>(Assigned)                                   |
|                   | Term loans                      | Long Term  | 2.55            | ACUITE B-/Stable<br>(Assigned)                                   |
|                   | Buyers Credit                   | Short Term | 0.65            | ACUITE A4<br>(Assigned)                                          |
|                   | Letter of Credit                | Short Term | 3.00            | ACUITE A4<br>(Assigned)                                          |
|                   | Proposed Cash Credit            | Long Term  | 0.80            | ACUITE B-/Stable<br>(Assigned)                                   |

### #Annexure – Details of instruments rated

| Name of the Facilities | Date of Issuance | Coupon Rate    | Maturity Date  | Size of the Issue (Rs. Crore) | Ratings/Outlook                      |
|------------------------|------------------|----------------|----------------|-------------------------------|--------------------------------------|
| Cash Credit            | Not Applicable   | Not Applicable | Not Applicable | 14.00                         | ACUITE D<br>Issuer not co-operating* |
| Term loans             | Not Available    | Not Applicable | Not Available  | 2.55                          | ACUITE D<br>Issuer not co-operating* |
| Buyers Credit          | Not Applicable   | Not Applicable | Not Applicable | 0.65                          | ACUITE D<br>Issuer not co-operating* |
| Letter of Credit       | Not Applicable   | Not Applicable | Not Applicable | 3.00                          | ACUITE D<br>Issuer not co-operating* |
| Proposed Bank Facility | Not Applicable   | Not Applicable | Not Applicable | 0.80                          | ACUITE D<br>Issuer not co-operating* |

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

## Contacts

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|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|
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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 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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