Press Release

Guhan Textile Mills Private Limited

Aug 04, 2020

Rating Update

Total Bank Facilities Rated*	Rs. 21.00 Cr #
Long Term Rating	ACUITE D Issuer not co-operating*
Short Term Rating	ACUITE D 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 Vedasandur 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 (Downgraded from ACUITE B-) Issuer not co-operating*
	Term loans	Long Term	2.55	ACUITE D (Downgraded from ACUITE B-) Issuer not co-operating*
	Buyers Credit	Short Term	0.65	ACUITE D (Downgraded from ACUITE A4) Issuer not co-operating*
	Letter of Credit	Short Term	3.00	ACUITE D (Downgraded from ACUITE A4) Issuer not co-operating*
	Proposed Bank Facility	Long Term	0.80	ACUITE D (Downgraded from ACUITE B-) Issuer not co-operating*
06 March, 2018	Term Loan	Long Term	14.00	ACUITE B-/Stable (Reaffirmed)
	Term loans	Long Term	1.70	ACUITE B-/Stable (Reaffirmed)
	Buyers Credit	Short Term	2.00	ACUITE A4 (Reaffirmed)
	Letter of Credit	Short Term	3.00	ACUITE A4 (Reaffirmed)
	Proposed Long Term Loan	Long Term	0.30	ACUITE B-/Stable (Reaffirmed)
05 December, 2016	Cash Credit	Long Term	14.00	ACUITE B-/Stable (Assigned)
	Term loans	Long Term	2.55	ACUITE B-/Stable (Assigned)
	Buyers Credit	Short Term	0.65	ACUITE A4 (Assigned)
	Letter of Credit	Short Term	3.00	ACUITE A4 (Assigned)
	Proposed Cash Credit	Long Term	0.80	ACUITE B-/Stable (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 Issuer not co-operating*
Term loans	Not Available	Not Applicable	Not Available	2.55	ACUITE D Issuer not co-operating*
Buyers Credit	Not Applicable	Not Applicable	Not Applicable	0.65	ACUITE D Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE D Issuer not co-operating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	0.80	ACUITE D Issuer not co-operating*

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

Contacts

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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.