

## Press Release

### Durairaj Mills Limited

July 15, 2022



### Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	5.00	-	ACUITE D   Reaffirmed   Issuer not co-operating*
Bank Loan Ratings	56.44	ACUITE D   Reaffirmed   Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	61.44	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

### Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE D**' (read as **ACUITE D**) and the short term rating of '**ACUITE D**' (read as **ACUITE D**) the Rs. 61.44 crore bank facilities of Durairaj Mills Limited. The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

### About the Company

Durairaj Mills Limited (DML), incorporated in 1983, is a Coimbatore-based company promoted by Mr. N. Duraiswamy Naidu. The company is engaged in the manufacture of cotton hosiery and warp yarn. For FY2013-14, DML reported net loss of Rs.2.35 crore on operating income of Rs.66.03 crore. The net worth stood at Rs.5.94 crore as on 31 March, 2014, compared with Rs.6.87 crore a year earlier.

### 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 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.

### About the Rated Entity - Key Financials

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

### Rating Sensitivity

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

### Material Covenants

Not Applicable

### Liquidity Position

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

### Outlook

Not Applicable

### Other Factors affecting Rating

Not Applicable

### Status of non-cooperation with previous CRA

None

### Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

### Applicable Criteria

- Service Sector: <https://www.acuite.in/view-rating-criteria-50.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.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
16 Apr 2021	Letter of Credit	Short Term	5.00	ACUITE D (Issuer not co-operating*)
	Cash Credit	Long Term	15.00	ACUITE D (Issuer not co-operating*)
	Term Loan	Long Term	41.44	ACUITE D (Issuer not co-operating*)
21 Jan 2020	Term Loan	Long Term	41.44	ACUITE D (Issuer not co-operating*)
	Cash Credit	Long Term	15.00	ACUITE D (Issuer not co-operating*)
	Letter of Credit	Short Term	5.00	ACUITE D (Issuer not co-operating*)
06 Nov 2018	Term Loan	Long Term	41.44	ACUITE D (Issuer not co-operating*)
	Cash Credit	Long Term	15.00	ACUITE D (Issuer not co-operating*)
	Letter of Credit	Short Term	5.00	ACUITE D (Issuer not co-operating*)

18 Sep 2017	Term Loan	Long Term	41.44	ACUITE D (Reaffirmed)
	Cash Credit	Long Term	15.00	ACUITE D (Reaffirmed)
	Letter of Credit	Short Term	5.00	ACUITE D (Reaffirmed)
28 May 2016	Term Loan	Long Term	41.44	ACUITE D (Reaffirmed)
	Cash Credit	Long Term	15.00	ACUITE D (Reaffirmed)
	Letter of Credit	Short Term	5.00	ACUITE D (Reaffirmed)
16 Mar 2015	Term Loan	Long Term	41.44	ACUITE D (Assigned)
	Cash Credit	Long Term	15.00	ACUITE D (Assigned)
	Letter of Credit	Short Term	5.00	ACUITE D (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Indian Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE D   Reaffirmed   Issuer not co-operating*
Union Bank of India	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE D   Reaffirmed   Issuer not co-operating*
Indian Bank	Not Applicable	Term Loan	Not available	Not available	Not available	41.44	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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