

## Press Release

### Ganga Fashions Private Limited

November 17, 2018

### Rating Update



<b>Total Bank Facilities Rated*</b>	Rs. 14.83 Cr.#
<b>Long Term Rating</b>	ACUITE BBB- Issuer not co-operating*

#Refer Annexure for details

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

### Rating Rationale

Acuite has reviewed the long-term rating of '**ACUITE BBB-**' (read as **ACUITE BBB minus**) on the Rs. 14.83 crore bank facilities of Ganga Fashions Private Limited. This rating is now an indicative rating and is based on best available information.

#### 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 due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

#### Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.htm>
- Financial Ratios and Adjustments: <https://www.acuite.in/view-rating-criteria-20.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). Acuite endeavoured 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:

Ganga Fashions Private Limited (GFPL), incorporated in 1994 by Mr. Jai Gopal Gangwani is engaged in the dyeing and printing of polyester and cotton fabrics at Surat, Gujarat. The company also undertakes dyeing of grey fabric on job-work basis. It procures fabric from Tamil Nadu, Maharashtra and Surat and after processing, sells the same to wholesalers in Mumbai, Bangalore and Delhi under the 'Ganga' brand name. The daily installed capacity stands at ~65,000 meters per day.

#### About the Rated Entity - Key Financials

	Unit	FY15 (Actual)	FY14 (Actual)	FY13 (Actual)
Operating Income	Rs. Cr.	105.04	75.21	32.47
EBITDA	Rs. Cr.	11.37	3.63	2.03
PAT	Rs. Cr.	5.89	1.75	0.38
EBITDA Margin	(%)	10.83	4.83	6.26
PAT Margin	(%)	5.60	2.33	1.16
ROCE (%)	(%)	38.86	54.51	37.22
Total Debt/Tangible Net Worth	Times	1.25	2.75	4.27
PBDIT/Interest	Times	7.46	4.56	2.90

**Status of non-cooperation with previous CRA (if applicable)**

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.

**Rating History (Upto last three years)**

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
14-Sep-17	Term Loans	Long term	7.63	ACUITE BBB-Issuer not co-operating*
	Proposed Long Term Loan	Long term	4.00	ACUITE BBB-Issuer not co-operating*
	Cash Credit	Long term	7.20	ACUITE BBB-Issuer not co-operating*
18-Jul-16	Cash Credit	Long term	7.63	ACUITE BBB-/Stable (Reaffirmed)
	Term Loan	Long term	4.00	ACUITE BBB-/Stable (Reaffirmed)
	Proposed Long Term Loan	Long term	7.20	ACUITE BBB-/Stable (Assigned)
21-Apr-15	Proposed Long Term Loan	Long term	3.40	ACUITE BBB-/Stable (Assigned)
	Proposed Long Term Loan	Long term	1.08	ACUITE BBB-/Stable (Assigned)
	Proposed Long Term Loan	Long term	3.15	ACUITE BBB-/Stable (Assigned)
	Proposed Cash Credit	Long term	7.20	ACUITE BBB-/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
Term loans	Not Applicable	Not Applicable	Not Applicable	7.63	ACUITE BBB-Issuer not co-operating*
Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE BBB-Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	7.20	ACUITE BBB-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 (*erstwhile SMERA Ratings 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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