

Press Release

G.G. Fashions

February 18, 2022



Rating Reaffirmed and Issuer not co-operating

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|---|------------------|--|---|
| Bank Loan Ratings | 14.57 | ACUITE B Reaffirmed Issuer not co-operating* | - |
| Bank Loan Ratings | 0.09 | - | ACUITE A4 Reaffirmed Issuer not co-operating* |
| Total Outstanding Quantum (Rs. Cr) | 14.66 | - | - |
| Total Withdrawn Quantum (Rs. Cr) | 0.00 | - | - |

Rating Rationale

Acuité has reviewed the long-term rating of '**ACUITE B**' (**read as ACUITE B**) and the short term rating of '**ACUITE A4**' (**read as ACUITE A four**) on the Rs. 14.66 crore bank facilities of G.G. Fashions (GGF). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

About the Company

G.G. Fashions (GGF) is a proprietorship firm established in 1990 by Mr. Kannan. The firm is engaged in the manufacturing of cotton fabric at Salem, Tamil Nadu.

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 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 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 attempts.

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.

Status of non-cooperation with previous CRA

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.

Applicable Criteria

- Manufacturing Entities:<https://www.acuite.in/view-rating-criteria-59.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 |
|-------------|--------------------------------|------------|-----------------|--------------------------------------|
| 20 Nov 2020 | Bank Guarantee | Short Term | 0.09 | ACUITE A4 (Issuer not co-operating*) |
| | Working Capital Demand Loan | Long Term | 9.60 | ACUITE B (Issuer not co-operating*) |
| | Term Loan | Long Term | 2.47 | ACUITE B (Issuer not co-operating*) |
| | Proposed Cash Credit | Long Term | 0.10 | ACUITE B (Issuer not co-operating*) |
| | Cash Credit | Long Term | 2.40 | ACUITE B (Issuer not co-operating*) |
| 10 Sep 2019 | Proposed Cash Credit | Long Term | 0.10 | ACUITE B (Issuer not co-operating*) |
| | Working Capital Demand Loan | Long Term | 9.60 | ACUITE B (Issuer not co-operating*) |
| | Term Loan | Long Term | 2.47 | ACUITE B (Issuer not co-operating*) |
| | Bank Guarantee | Short Term | 0.09 | ACUITE A4 (Issuer not co-operating*) |

| | | | | |
|-------------|-----------------------------|------------|------|--|
| | Cash Credit | Long Term | 2.40 | ACUITE B (Issuer not co-operating*) |
| 20 Jun 2018 | Cash Credit | Long Term | 2.40 | ACUITE B (Issuer not co-operating*) |
| | Working Capital Demand Loan | Long Term | 9.60 | ACUITE B (Issuer not co-operating*) |
| | Term Loan | Long Term | 2.47 | ACUITE B (Issuer not co-operating*) |
| | Bank Guarantee | Short Term | 0.09 | ACUITE A4 (Issuer not co-operating*) |
| | Proposed Cash Credit | Long Term | 0.10 | ACUITE B (Issuer not co-operating*) |
| 31 Mar 2017 | Cash Credit | Long Term | 2.40 | ACUITE B Stable (Downgraded from ACUITE B+ Stable) |
| | Working Capital Demand Loan | Long Term | 9.60 | ACUITE B Stable (Downgraded from ACUITE B+ Stable) |
| | Term Loan | Long Term | 2.47 | ACUITE B Stable (Downgraded from ACUITE B+ Stable) |
| | Bank Guarantee | Short Term | 0.09 | ACUITE A4 (Downgraded from ACUITE A4) |
| | Proposed Cash Credit | Long Term | 0.10 | ACUITE B Stable (Downgraded from ACUITE B+ Stable) |
| 24 Jul 2015 | Cash Credit | Long Term | 7.00 | ACUITE B+ Stable (Assigned) |
| | Bills Discounting | Long Term | 3.00 | ACUITE B+ Stable (Assigned) |
| | Term Loan | Long Term | 4.57 | ACUITE B+ Stable (Assigned) |
| | Bank Guarantee | Short Term | 0.09 | ACUITE A4 (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 | Bank Guarantee (BLR) | Not Applicable | Not Applicable | Not Applicable | 0.09 | ACUITE A4 Reaffirmed Issuer not co-operating* |
| Indian Bank | Not Applicable | Cash Credit | Not Applicable | Not Applicable | Not Applicable | 2.40 | ACUITE B Reaffirmed Issuer not co-operating* |
| Indian Bank | Not Applicable | Proposed Cash Credit | Not Applicable | Not Applicable | Not Applicable | 0.10 | ACUITE B Reaffirmed Issuer not co-operating* |
| Indian Bank | Not Applicable | Term Loan | Not available | Not available | 31-03-2017 | 2.47 | ACUITE B Reaffirmed Issuer not co-operating* |
| Indian Bank | Not Applicable | Working Capital Demand Loan (WCDL) | Not available | Not available | Not available | 9.60 | ACUITE B Reaffirmed Issuer not co-operating* |

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 8,850 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 Kanjurmarg, Mumbai.

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