

## Press Release

Dilip Textile Private Limited

December 08, 2021



### Rating Downgraded and Issuer not co-operating

Product	Initial Quantum (Rs. Cr.)	Net Quantum (Rs. Cr.)	Long Term Rating	Short Term Rating
Bank Loan Ratings	0.16	0.16		ACUITE A4   Downgraded   Issuer not co-operating*
Bank Loan Ratings	8.71	8.71	ACUITE B+   Downgraded   Issuer not co-operating*	
<b>Total</b>	-	8.87	-	-

### Rating Rationale

Acuite has downgraded the long-term rating to 'ACUITE B+' (read as ACUITE single B plus) from 'ACUITE BB-' (read as ACUITE double B minus) and reviewed the short term rating to 'ACUITE A4' (read as ACUITE A four) from 'ACUITE A4+' (read as ACUITE A four plus) on the Rs. 8.87 crore bank facilities of Dilip Textiles Private Limited (DTPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

### About the Company

Established in 1978 as a partnership concern, DTPL was incorporated in 1988. The Hyderabad-based company promoted by Mr. Govardhan Das Agarwal and family is engaged in dyeing and printing of fabrics. The manufacturing facilities are located at Mahabubnagar and Hyderabad. The production capacity stood at 2,200,000 meters/month with utilisation level of ~95 per cent.

### 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.

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

### Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.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 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.

### Liquidity Indicators

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

### Rating Sensitivity

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

### 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

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

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
08 Sep 2020	Bank Guarantee	Short Term	0.16	ACUITE A4+ (Issuer not co-operating*)
	Cash Credit	Long Term	6.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Proposed Bank Facility	Long Term	0.13	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	2.58	ACUITE BB- (Downgraded and Issuer not co-operating*)
24 Jun 2019	Cash Credit	Long Term	6.00	ACUITE BB (Issuer not co-operating*)
	Proposed Bank Facility	Long Term	0.13	ACUITE BB (Issuer not co-operating*)
	Bank Guarantee	Short Term	0.16	ACUITE A4+ (Issuer not co-operating*)
	Term Loan	Long Term	2.58	ACUITE BB (Issuer not co-operating*)
04 Apr 2018	Cash Credit	Long Term	6.00	ACUITE BB (Issuer not co-operating*)
	Term Loan	Long Term	2.58	ACUITE BB (Issuer not co-operating*)
	Bank Guarantee	Short Term	0.16	ACUITE A4+ (Issuer not co-operating*)
	Proposed Long Term Loan	Long Term	0.13	ACUITE BB (Issuer not co-operating*)
03 Mar 2017	Cash Credit	Long Term	6.00	ACUITE BB   Stable (Reaffirmed)
	Term Loan	Long Term	2.58	ACUITE BB   Stable (Reaffirmed)
	Bank Guarantee	Short Term	0.16	ACUITE A4+ (Reaffirmed)
	Proposed Long Term Loan	Long Term	0.13	ACUITE BB   Stable (Assigned)
	Cash Credit	Long Term	5.00	ACUITE BB   Stable (Assigned)

11 Jan 2016	Term Loan	Long Term	3.71	ACUITE BB   Stable (Assigned)
	Bank Guarantee	Short Term	0.16	ACUITE A4+ (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Initial Quantum (Rs. Cr.)	Net Quantum (Rs. Cr.)	Rating
DBS Bank Ltd	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	0.16	0.16	ACUITE A4   Downgraded   Issuer not co-operating* ( from ACUITE A4+ )
DBS Bank Ltd	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	6.00	6.00	ACUITE B+   Downgraded   Issuer not co-operating* ( from ACUITE BB- )
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	0.13	0.13	ACUITE B+   Downgraded   Issuer not co-operating* ( from ACUITE BB- )
DBS Bank Ltd	Not Applicable	Term Loan	Not available	Not available	Not available	2.58	2.58	ACUITE B+   Downgraded   Issuer not co-operating* ( from ACUITE BB- )

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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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