

Press Release

Jayachitra Garments

September 18, 2020

Rating Downgraded & Withdrawn



Total Bank Facilities Rated*	Rs.16.00 Cr. #
Long Term Rating	ACUITE BB (Downgraded from ACUITE BB+) Withdrawn; Issuer not co-operating*
Short Term Rating	ACUITE A4+ Withdrawn; Issuer not co-operating*

Refer Annexure for details

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

Rating Rationale

Acuite has downgraded and withdrawn the long term rating of '**ACUITE BB**' (read as **ACUITE double B**) and has also withdrawn the short term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs.16.00 crore bank facilities of Jayachitra Garments (JCG). This rating is now an indicative rating and is based on the best available information.

The rating is being withdrawn on account of request received from the company and NOC received from the banker.

JCG, a partnership firm established in 1990, is engaged in the manufacture and export of men's wear, women's wear and kid's wear to retailers located in Canada and the United Kingdom.

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 non-cooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-59.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-53.htm>

Note on complexity levels of the rated instrument

<https://www.acuite.in/view-rating-criteria-55.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.

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)

Not Applicable

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
17-Mar-2020	Packing Credit	Short Term	8.00	ACUITE A4+ (Indicative)
	Bills Discounting	Short Term	5.50	ACUITE A4+ (Indicative)
	Term Loan	Long Term	0.06	ACUITE BB+ (Indicative)
	Term Loan	Long Term	0.65	ACUITE BB+ (Indicative)
	Bank Guarantee	Short Term	0.20	ACUITE A4+ (Indicative)
	Proposed Working Capital Demand Loan	Short Term	1.59	ACUITE A4+ (Indicative)
10-Jan-2019	Packing Credit	Short Term	8.00	ACUITE A4+ (Indicative)
	Bills Discounting	Short Term	5.50	ACUITE A4+ (Indicative)
	Term Loan	Long Term	0.06	ACUITE BB+ (Indicative)
	Term Loan	Long Term	0.65	ACUITE BB+ (Indicative)
	Bank Guarantee	Short Term	0.20	ACUITE A4+ (Indicative)
	Proposed Working Capital Demand Loan	Short Term	1.59	ACUITE A4+ (Indicative)
30-Jan-2018	Packing Credit	Short Term	8.00	ACUITE A4+ (Indicative)
	Bills Discounting	Short Term	5.50	ACUITE A4+ (Indicative)
	Term Loan	Long Term	0.06	ACUITE BB+ (Indicative)
	Term Loan	Long Term	0.65	ACUITE BB+ (Indicative)
	Bank Guarantee	Short Term	0.20	ACUITE A4+ (Indicative)
	Proposed Working Capital Demand Loan	Short Term	1.59	ACUITE A4+ (Indicative)
30-Jul-2016	Packing Credit	Short Term	8.00	ACUITE A4+ (Assigned)
	Bills Discounting	Short Term	5.50	ACUITE A4+ (Assigned)
	Term Loan	Long Term	0.06	ACUITE BB+/ Stable (Assigned)
	Term Loan	Long Term	0.65	ACUITE BB+/ Stable (Assigned)
	Bank Guarantee	Short Term	0.20	ACUITE A4+ (Assigned)

	Proposed Working Capital Demand Loan	Short Term	1.59	ACUITE A4+ (Assigned)
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#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Packing Credit	Not Applicable	Not Applicable	Not Applicable	8.00	ACUITE A4+ Withdrawn; Issuer not co-operating*
Bills Discounting	Not Applicable	Not Applicable	Not Applicable	5.50	ACUITE A4+ Withdrawn; Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.06	ACUITE BB (Downgraded from ACUITE BB+ / Stable) Withdrawn; Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.65	ACUITE BB (Downgraded from ACUITE BB+ / Stable) Withdrawn; Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	0.20	ACUITE A4+ Withdrawn; Issuer not co-operating*
Proposed Working Capital Demand Loan	Not Applicable	Not Applicable	Not Applicable	1.59	ACUITE A4+ Withdrawn; Issuer not co-operating*

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

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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 8,400 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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