

Press Release

Geena Garments

January 05, 2019

Rating Update



Total Bank Facilities Rated*	Rs. 27.00 Cr.#
Long Term Rating	ACUITE BBB- Issuer not co-operating*

#Refer Annexure for details

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

Acuité has reviewed the long-term rating of '**ACUITE BBB-**' (read as **ACUITE triple B minus**) on the Rs.27.00 crore bank facilities of Geena Garments (GG). This rating is now an indicative rating and is based on best available information.

GG, a proprietorship firm established in 1968 by Mr. A Loganathan, was converted into a partnership firm in 1991. The firm is engaged in the manufacturing and export of knitwear and readymade garments (RMG) to U.S.A, Spain and France. It is headed by partners Mr. A. Laganathan, Mr. L. Dinesh Kumar and Mr. Mohan Shankar. The firm is a part of the Tamil Nadu-based Geena Group, incorporated in 1968, comprising three entities - Geena Garments (GG), Victus Dyeings (VD) and Print Tex India (PTI).

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 due date.

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

	Unit	FY15 (Actual)	FY14 (Actual)	FY13 (Actual)
Operating Income	Rs. Cr.	243.05	190.64	133.61
EBITDA	Rs. Cr.	19.00	16.12	12.69
PAT	Rs. Cr.	9.62	8.84	7.32
EBITDA Margin	(%)	7.82	8.45	9.50
PAT Margin	(%)	3.96	4.64	5.48
ROCE	(%)	12.33	11.96	22.75
Total Debt/Tangible Net Worth	Times	0.42	0.48	0.33
PBDIT/Interest	Times	3.60	4.03	3.51

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
15-Nov-17	Term Loan	Long term	2.14	ACUITE BBB-Issuer not co-operating*
	Cash Credit	Long term	2.00	ACUITE BBB-Issuer not co-operating*
	Export Packing Credit/Packing Credit (EPC/PCFC)**	Long term	13.00	ACUITE BBB-Issuer not co-operating*
	Foreign Documentary Bills Negotiation (FDBN)**	Long term	5.00	ACUITE BBB-Issuer not co-operating*
	Long Term Proposed	Long term	4.86	ACUITE BBB-Issuer not co-operating*
24-Aug-16	Term Loan	Long term	2.14	ACUITE BBB-/Stable (Assigned)
	Stand by Limit	Long term	2.00	ACUITE BBB-/Stable (Assigned)
	Export Packing Credit/Packing Credit (EPC/PCFC)**	Long term	13.00	ACUITE BBB-/Stable (Assigned)
	Foreign Documentary Bills Negotiation (FDBN)**	Long term	5.00	ACUITE BBB-/Stable (Assigned)
	Long Term Proposed	Long term	4.86	ACUITE BBB-/Stable (Assigned)

**Continuation of 50% interchangeability from EPC to FDBN (Non LC) limits and 100% interchangeability from FDBN (Non-LC) to EPC.

*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 Loan	Not Applicable	Not Applicable	Not Applicable	2.14	ACUITE BBB-Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE BBB-Issuer not co-operating*
Export Packing Credit/Packing Credit (EPC/PCFC)**	Not Applicable	Not Applicable	Not Applicable	13.00	ACUITE BBB-Issuer not co-operating*
Foreign Documentary Bills Negotiation (FDBN)**	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE BBB-Issuer not co-operating*
Long Term Proposed	Not Applicable	Not Applicable	Not Applicable	4.86	ACUITE BBB-Issuer not co-operating*

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

**Continuation of 50% interchangeability from EPC to FDBN (Non LC) limits and 100% interchangeability from FDBN (Non-LC) to EPC.

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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