

Press Release

Hero fashion

April 29, 2021



Rating Downgraded and Withdrawn

Total Bank Facilities Rated*	Rs.17.00 Cr.
Long Term Rating	ACUITE BB (Downgraded from ACUITE BB+ and Withdrawn) *Issuer not cooperating
Short Term Rating	ACUITE A4+ (Withdrawn) *Issuer not cooperating

* Refer Annexure for details

Rating Rationale

Acuité has withdrawn and downgraded the long term rating to '**ACUITE BB**' (**read as ACUITE double B**) from '**ACUITE BB+**' (**read as ACUITE double B plus**) and the short term rating of '**ACUITE A4+**' (**read as ACUITE A four plus**) on the Rs.17.00 crore bank facilities of Hero fashion (HF). The rating withdrawal is in accordance with Acuité's policy on withdrawal of rating. The downgrade is on account of information risk.

The rating is being withdrawn on account of request received from the company and NOC received from the banker.

The Tirupur-based, Hero Fashion is a proprietorship firm established in 1989 by Mr. S. Sundaramurthy manufactures and exports readymade garments (for men, women and kids). The manufacturing facility is located at Tirupur, Tamil Nadu and the installed capacity stands at 24 lakh pieces per annum.

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.

Analytical approach

Acuité has considered the standalone financial and business risk profiles of CTCPL to arrive at this rating.

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>

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.

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 attempts.

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

Not Applicable

Any other information

None

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
25-April-2020	Bills Discounting	ShortTerm	2.00	ACUITE A4+ (Indicative)
	Packing Credit	Short Term	12.00	ACUITE BB+ (Indicative)
	Letter of Credit	Short Term	1.00	ACUITE A4+ (Indicative)
	Proposed Long Term loan	Long Term	2.00	ACUITE BB+ (Indicative)
5-Feb-2019	Bills Discounting	ShortTerm	2.00	ACUITE A4+ (Indicative)
	Packing Credit	Short Term	12.00	ACUITE BB+ (Indicative)
	Letter of Credit	Short Term	1.00	ACUITE A4+ (Indicative)
	Proposed Long Term loan	Long Term	2.00	ACUITE BB+ (Indicative)
18-Dec-2017	Bills Discounting	ShortTerm	2.00	ACUITE A4+ (Reaffirmed)
	Packing Credit	Short Term	12.00	ACUITE BB+/Stable (Upgraded)
	Letter of Credit	Short Term	1.00	ACUITE A4+ (Reaffirmed)
	Proposed Long Term loan	Long Term	2.00	ACUITE BB+/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
Bills Discounting	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4+ (Withdrawn) *Issuer not cooperating
Packing Credit	Not Applicable	Not Applicable	Not Applicable	12.00	ACUITE BB (Downgraded from ACUITE BB+ and Withdrawn) *Issuer not cooperating
Letter of Credit	Not Available	Not Available	Not Available	1.00	ACUITE A4+ (Withdrawn) *Issuer not cooperating
Proposed bank facility	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE BB (Downgraded from

	e			ACUITE BB+ and Withdrawn) *Issuer not cooperating
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Contacts

Analytical	Rating Desk
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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 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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