

Press Release

Malar Textiles

August 27, 2021



Rating Update

| | |
|-------------------------------------|--------------------------------------|
| Total Bank Facilities Rated* | Rs. 8.00 Cr.# |
| Long Term Rating | ACUITE B 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 B**' (**read as ACUITE B**) on the Rs. 8.00 crore bank facilities of Malar Textiles (MT). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

The Coimbatore-based MT, established as a partnership firm in 1997, manufactures grey fabrics. The firm has 28 weaving looms and has taken 500 looms on rent for job work. The installed capacity is 1.70 lakh meter per week. Mr. D.Viswanathamurthy is a partner of the firm.

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.

Applicable Criteria

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

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

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 (Up to last three years)

| Date | Name of Instrument / Facilities | Term | Size of the Issue (Rs. Cr.) | Ratings/Outlook |
|-------------|--------------------------------------|-----------|-----------------------------|--------------------------------------|
| 24-Jun-2020 | Cash Credit | Long term | 4.25 | ACUITE B Issuer not co-operating* |
| | Term Loan | Long term | 0.66 | ACUITE B Issuer not co-operating* |
| | Proposed Term Loan | Long term | 3.06 | ACUITE B Issuer not co-operating* |
| | Proposed Working Capital Demand Loan | Long term | 0.03 | ACUITE B Issuer not co-operating* |
| 11-Apr-2019 | Cash Credit | Long term | 4.25 | ACUITE B Issuer not co-operating* |
| | Term Loan | Long term | 0.66 | ACUITE B Issuer not co-operating* |
| | Proposed Term Loan | Long term | 3.06 | ACUITE B Issuer not co-operating* |
| | Proposed Working Capital Demand Loan | Long term | 0.03 | ACUITE B Issuer not co-operating* |
| 10-Jan-2018 | Cash Credit | Long term | 4.25 | ACUITE B Issuer not co-operating* |
| | Term Loan | Long term | 0.66 | ACUITE B Issuer not co-operating* |
| | Proposed Term Loan | Long term | 3.06 | ACUITE B Issuer not co-operating* |
| | Proposed Working Capital Demand Loan | Long term | 0.03 | ACUITE B Issuer not co-operating* |

*Annexure – Details of instruments rated

| Lender Name | Name of the Facilities | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. Cr.) | Ratings/Outlook |
|----------------|--------------------------------------|------------------|----------------|----------------|-----------------------------|--------------------------------------|
| Canara Bank | Cash Credit | Not Applicable | Not Applicable | Not Applicable | 4.25 | ACUITE B Issuer not co-operating* |
| Canara Bank | Term Loan | Not Available | Not Available | Not Available | 0.66 | ACUITE B Issuer not co-operating* |
| Not Applicable | Proposed Term Loan | Not Applicable | Not Applicable | Not Applicable | 3.06 | ACUITE B Issuer not co-operating* |
| Not Applicable | Proposed Working Capital Demand Loan | Not Applicable | Not Applicable | Not Applicable | 0.03 | ACUITE B Issuer not co-operating* |

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

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 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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