

## Press Release

### Goal Closures

April 06, 2023



### Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	24.74	ACUITE D   Downgraded   Issuer not co-operating*	-
Bank Loan Ratings	3.11	-	ACUITE D   Downgraded   Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	27.85	-	-

### Rating Rationale

Acuite has downgraded its long term rating to '**ACUITE D (read as ACUITE D)**' from '**ACUITE BB+**' (read as **ACUITE double B plus**) and the short term rating to '**ACUITE D (read as ACUITE D)**' from '**ACUITE A4+**' (read as **ACUITE A four plus**) on Rs 27.85 Cr bank facilities of Goal Closures. The downgrade is on the basis of bankers feedback confirming the NPA status of the account as the company has delayed in servicing of its debt obligation. This rating continues to be an indicative rating and is based on best available information.

### About the Company

Tamil Nadu based, Goal Closures (GC) is a partnership firm formed in 2007 by Mrs. R. Vichitra and Mr. V. Ponnusamy. Firm is engaged in the business of manufacturing Aluminium caps used in the liquor and pharmaceutical industry. It has an installed capacity of 150 crore caps per year and has an average production of 100 crore caps per year.

### 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 due date. Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating continues to be flagged as "Issuer notcooperating", in line with prevailing SEBI regulations and Acuite's policies.

### 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.

### Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

### Rating Sensitivity

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

### Material Covenants

None

### Liquidity Position

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

### Outlook:

Not Applicable

### Other Factors affecting Rating

None

### 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.

### Applicable Criteria

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

### Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on [www.acuite.in](http://www.acuite.in).

### Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
29 Mar 2022	Cash Credit	Long Term	20.00	ACUITE BB+ (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	0.21	ACUITE A4+ (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	4.74	ACUITE BB+ (Downgraded and Issuer not co-operating*)
	Letter of Credit	Short Term	2.90	ACUITE A4+ (Downgraded and Issuer not co-operating*)
20 Jan 2021	Term Loan	Long Term	4.74	ACUITE BBB-   Negative (Reaffirmed)
	Bank Guarantee	Short Term	0.21	ACUITE A3 (Reaffirmed)
	Letter of Credit	Short Term	2.90	ACUITE A3 (Reaffirmed)
	Cash Credit	Long Term	20.00	ACUITE BBB-   Negative (Reaffirmed)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Bank of India	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	Simple	0.21	ACUITE D   Downgraded   Issuer not co-operating*
Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	20.00	ACUITE D   Downgraded   Issuer not co-operating*
Bank of India	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	Simple	2.90	ACUITE D   Downgraded   Issuer not co-operating*
Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	4.74	ACUITE D   Downgraded   Issuer not co-operating*

## Contacts

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### About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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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