

Press Release

Krishna Textile Process

October 29, 2020



Rating Update

Total Bank Facilities Rated*	Rs. 14.00 Cr #
Long Term Rating	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
Short Term Rating	ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating*

#Refer Annexure for details

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

Acuité has downgraded the long term rating to '**ACUITE B+** (read as **ACUITE B plus**) from '**ACUITE BB-**' (read as **ACUITE BB minus**) and the short term rating to '**ACUITE A4**' (read as **ACUITE A4**) from '**ACUITE A4+**' (read as **ACUITE A4+**) on the Rs.14.00 crore bank facilities of Krishan Textile Process. The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

Krishna Textile Process (KTP), established in 2002, is a partnership firm promoted by Mr. P. Gopalakrishnan and Mr. G. Ramachandran. The firm is engaged in the dyeing of polyester, cotton and viscose fabrics. KTP is a part of Sudhama Group, founded in 1978 by Mr. P. Gopalakrishnan. It is engaged in manufacturing of knitted garments and exports the same to European countries.

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 continues to be 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.

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	Amount (Rs. Cr)	Ratings/Outlook
02-August-2019	Cash Credit	Long Term	4.50	ACUITE BB- Issuer not co-operating*
	Term Loans	Long Term	5.44	ACUITE BB- Issuer not co-operating*
	Term Loans	Long Term	0.42	ACUITE BB- Issuer not co-operating*
	Standby Line of Credit	Short Term	0.40	ACUITE A4+ Issuer not co-operating*
	Bank Guarantee/ Letter of Guarantee	Short Term	0.51	ACUITE A4+ Issuer not co-operating*
	Proposed Bank Facility	Long Term	2.73	ACUITE BB- Issuer not co-operating*
23-May-2018	Cash Credit	Long Term	4.50	ACUITE BB-/Stable (Reaffirmed)
	Term Loans	Long Term	5.44	ACUITE BB-/Stable (Reaffirmed)
	Term Loans	Long Term	0.42	ACUITE BB-/Stable (Assigned)
	Standby Line of Credit	Short Term	0.40	ACUITE A4+ (Reaffirmed)
	Bank Guarantee/ Letter of Guarantee	Short Term	0.51	ACUITE A4+ (Reaffirmed)
	Proposed Bank Facility	Long Term	2.73	ACUITE BB-/Stable (Reaffirmed)
01-March- 2017	Cash Credit	Long Term	3.00	ACUITE BB-/Stable (Assigned)
	Term Loans	Long Term	0.75	ACUITE BB-/Stable (Assigned)
	Term Loans	Long Term	6.31	ACUITE BB-/Stable (Assigned)
	Standby Line of Credit	Short Term	0.15	ACUITE A4+ (Assigned)
	Bank Guarantee/ Letter of Guarantee	Short Term	2.25	ACUITE A4+ (Assigned)
	Proposed Bank Facility	Long Term	1.54	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
Cash Credit	Not Applicable	Not Applicable	Not Applicable	4.50	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
Term Loans	Not Available	Not Applicable	Not Available	5.44	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
Term Loans	Not Available	Not Applicable	Not Available	0.42	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
Standby Line of Credit	Not Applicable	Not Applicable	Not Applicable	0.40	ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating*
Bank Guarantee/ Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	0.51	ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	2.73	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*

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

Contacts

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About Acuité Ratings & Research:

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