

Press Release

SAVUTE TEXTILES PRIVATE LIMITED

February 11, 2020



Rating Update

Total Bank Facilities Rated*	Rs. 18.50 Cr. #
Long Term Rating	ACUITE B+ (Downgraded from ACUITE BB-/ Stable) Issuer not co-operating*
Short Term Rating	ACUITE A4 Issuer not co-operating*

Refer Annexure for details

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

Rating Rationale

Acuité has downgraded the long-term rating to '**ACUITE B+** (read as **ACUITE B plus**) from '**ACUITE BB-/Stable**' and the short-term rating '**ACUITE A4**' (read as **ACUITE A four**) to the Rs.18.50 crore bank facilities of Savute Textiles Private Limited (STPL). This rating is now an indicative rating and is downgraded on account of information risk.

Savute Textiles Private Limited (Savute) was incorporated in the year 1994, and is primarily engaged in manufacture of suiting and shirting fabric. The company has its weaving facility located in Tiruppur, Tamil Nadu with an installed capacity of 40 Rapier looms. STPL is promoted by Mr. Vinesan Gopinathan, Mr. Sathish Gopalkrishna Pillai, Mr. Venky Nayar, Mr. Sengodan Sella Kumar, and Mr. Peedimakkal Abdulsalim Najeeb who has engaged in the textile business for nearly two decades.

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.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality

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 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

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

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

Not Applicable

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 (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
04-Dec-2018	Cash Credit	Long Term	13.50	ACUITE BB- (Upgraded from ACUITE D)
	Letter of Credit	Short Term	5.00	ACUITE A4 (Upgraded from ACUITE D)
27-Aug-2018	Cash Credit	Long Term	13.50	ACUITE D (Downgraded from ACUITE BB+/Stable)
	Letter of Credit	Short Term	5.00	ACUITE D (Assigned)
18-July-2018	Cash Credit	Long Term	13.50	ACUITE BB+/Stable (Issuer not co-operating*)
22-June-2017	Cash Credit	Long Term	13.50	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. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	13.50	ACUITE B+ (Downgraded from ACUITE BB-/ Stable) Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE A4 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 (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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