

## Press Release

Savute Textiles Private Limited

May 05, 2022



### Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	13.50	ACUITE D   Downgraded   Issuer not co-operating*	-
Bank Loan Ratings	5.00	-	ACUITE D   Downgraded   Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	18.50	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

\*Refer Annexure for details

### Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE D**' (read as **ACUITE D**) from '**ACUITE B+**' (read as **ACUITE B plus**) and the short-term rating to '**ACUITE D**' (read as **ACUITE D**) from '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.18.50 Cr bank facilities of Savute Textiles Private Limited (STPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on best available information.

The downgrade is on the basis of publicly available information that the account has turned NPA.

### About the Company

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. Satish 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:

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 the due date. Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is therefore being flagged as "Issuer not-cooperating", 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). 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.

### 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

### Status of non-cooperation with previous CRA

- CRISIL, vide its press release dated Apr 27, 2022 had denoted the rating of Savute Textiles Private Limited as 'CRISIL D; ISSUER NOT COOPERATING'.

### Any other information

Not Applicable

### 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

<https://www.acuite.in/view-rating-criteria-55.htm>

### Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
29 Apr 2021	Cash Credit	Long Term	13.50	ACUITE B+ (Issuer not co-operating*)
	Letter of Credit	Short Term	5.00	ACUITE A4 (Issuer not co-operating*)
11 Feb 2020	Cash Credit	Long Term	13.50	ACUITE B+ (Issuer not co-operating*)
	Letter of Credit	Short Term	5.00	ACUITE A4 (Issuer not co-operating*)
04 Dec 2018	Cash Credit	Long Term	13.50	ACUITE BB-   Stable (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+)
	Letter of Credit	Short Term	5.00	ACUITE D (Assigned)
18 Jul 2018	Cash Credit	Long Term	13.50	ACUITE BB+ (Issuer not co- operating*)
22 Jun 2017	Cash Credit	Long Term	13.50	ACUITE BB+   Stable (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Canara Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	13.50	ACUITE D   Downgraded   Issuer not co-operating*
Canara Bank	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE D   Downgraded   Issuer not co-operating*

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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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