

Press Release

Sri Ranga Textiles Private Limited

November 17, 2018

Rating Update



Total Bank Facilities Rated*	Rs. 7.78 Cr.#
Long Term Rating	ACUITE BB- 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.

Acuite has reviewed long-term rating of '**ACUITE BB-**' (read as **ACUITE double B minus**) and short term rating of **ACUITE A4+** (read as **ACUITE A four plus**) on the Rs.7.78 crore bank facilities of Sri Ranga Textiles Private Limited. This rating is now an indicative rating and is based on the best available information.

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.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Applicable Criteria

- Default Recognition: <https://www.acuite.in/criteria-default.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-4.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). 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.

About the Rated Entity:

Sri Ranga Textiles Private Limited (SRTPL) is a Coimbatore -based company incorporated in 1980 by Mr. Silesh Ethirajulu, Mr. Ranga Rao Ethirajulu and Ms. Ramalakshmi Ethirajul. SRTPL is engaged in the manufacture of cotton yarn of count ranging from 100 to 120 mainly used in the manufacture of shirts and sarees. The company has ~25000 spindles with installed capacity of 45,000 kg yarn per month.

For FY2016-17 (Provisional), the company reported profit after tax (PAT) of Rs.0.49 crore on operating income of Rs. 23.04 crore, as against net loss of Rs.0.34 crore on operating income of Rs.17.31crore in FY2015-16. The net worth as on 31 March, 2017 stood at Rs.7.26 crore compared to Rs.6.72 crore as on 31 March, 2016.

Any other information:

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups

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

None

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
12 Dec, 2017	Cash Credit	Long Term	6.00	ACUITE BB-/Stable (Assigned)
	Term Loan	Long Term	1.48	ACUITE BB-/Stable (Assigned)
	Bank Guarantee	Short Term	0.30	ACUITE A4+ (Assigned)

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	6.00	ACUITE BB- Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	1.48	ACUITE BB- Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	0.30	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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