

Press Release

Chandan Textiles

April 09, 2019

Rating Update



Total Bank Facilities Rated*	Rs. 8.30 Cr. #
Long Term Rating	ACUITE B- 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 B-**' (read as **ACUITE B minus**) on the Rs. 8.30 crore bank facilities of Chandan Textiles (CT). This rating is now an indicative rating and is based on best available information.

CT is a Bangalore based proprietorship firm established in 2000 by Mr. Chandan Malhotra. The firm is engaged in the business of manufacturing and trading of pure silk fabrics such as chiffon, georgette and crape. It caters all over India but major customers are in Karnataka. CT procures its raw materials locally and imports from China as well. It has two manufacturing units in Karnataka with total installed capacity of 550000 meters for fabric and 12000 Kgs for twisted silk yarn.

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>
- Trading Entities - <https://www.acuite.in/view-rating-criteria-6.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 endeavoured 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 - Key Financials

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

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

Not Applicable

Any other information

Acuite 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
16-Apr-2018	Term Loan	Long Term	2.00	ACUITE B- / Stable (Assigned)
	Cash Credit	Long Term	6.00	ACUITE B- / Stable (Assigned)
	Proposed Cash Credit	Long Term	0.30	ACUITE B- / 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	2.00	ACUITE B- Issuer not co-operating*
Term loans	Not Applicable	Not Applicable	Not Applicable	6.00	ACUITE B- Issuer not co-operating*
Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	0.30	ACUITE B- Issuer not co-operating*

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

Contacts

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About Acuite Ratings & Research:

Acuite 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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