

## Press Release

### ESM Textiles

November 27, 2020

### Rating Update



<b>Total Bank Facilities Rated*</b>	Rs. 5.25 Cr.#
<b>Long Term Rating</b>	ACUITE B Issuer not co-operating*

#Refer Annexure for details

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

Acuité has reviewed the long-term rating of '**ACUITE B**' (read as **ACUITE B**) on the Rs. 5.25 crore bank facilities of ESM Textiles. The rating continues to be flagged as "Issuer Not Cooperating" and is based on best available information.

Mr. E.S. Marimuthu as a partnership firm established Tamil Nadu-based ESMT in 1965. Mr. Erulappan (his son) and Mrs. E Rajeshwari (his daughter-in-law) now manage the firm. It is engaged in manufacturing of women readymade garments. The firm derives the majority of its revenue from the domestic market and rest from overseas markets.

#### 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 is therefore being 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 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 attempts.

#### 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 (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
18-September-2019	Cash Credit	Long Term	4.5	ACUITE B Issuer not co-operating*
	Term Loan	Long Term	0.75	ACUITE B Issuer not co-operating*
06-July-2018	Cash Credit	Long Term	4.5	ACUITE B / Stable (Assigned)
	Term Loan	Long Term	0.75	ACUITE B / Stable (Assigned)

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

### \*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	4.5	ACUITE B Issuer not co-operating*
Term Loan	Not Available	Not Available	Not Available	0.75	ACUITE B Issuer not co-operating*

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

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### About Acuité Ratings & Research:

Acuité Ratings & Research 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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