

Press Release

Geetha Saw Mill

June 24, 2021

Rating Update



Total Bank Facilities Rated*	Rs. 5.25 Cr.
Long Term Rating	ACUITE B (Withdrawn) Issuer not co-operating*
Short Term Rating	ACUITE A4 (Withdrawn) Issuer not co-operating*

* Refer Annexure for details

Rating Rationale

Acuité has withdrawn the long term rating of '**ACUITE B' (read as ACUITE B)** and short term rating of '**ACUITE A4' (read as ACUITE A four)** on Rs. 5.25 crore bank facilities of Geetha Saw Mill. The rating withdrawal is in accordance with Acuité's policy on withdrawal of rating. The rating continues to be flagged as "Issuer Not-Cooperating".

The rating is being withdrawn on account of request received from the company and NOC received from the banker.

About the Company

Geetha Saw Mill was established as a Partnership firm in 1983, by Mr. Meghji Manji Patel, Mrs. Hansaben Meghji Patel, Gautham Meghji Patel. The firm's saw mill and an office is located at Vellore, Tamil Nadu. The firm is engaged in the import of round timber logs which are subsequently sawn and sized at its saw mill into various commercial sizes as per the requirement of its customers. The firm procures majority of its raw material requirements from Malaysia and Indonesia and sells them in domestic market (mainly south India) to wholesalers, construction companies and individual customers. The operations of the company are managed by Mr. Meghji Manji Patel (partner) along with his two sons, who have extensive experience of more than fifteen years in the timber processing and trading business. The imports are mainly made through the sea ports of Chennai. Further the firm has installed capacity of 750 cubic meters/ month.

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>
- Trading Entities - <https://www.acuite.in/view-rating-criteria-61.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.

Liquidity Position

No information provided by the issuer/ available for Acuité to comment upon.

Rating Sensitivities

No information provided by the issuer/ available for Acuite to comment upon.

About the Rated Entity 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

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
15-Jan-2021	Cash Credit	Long Term	1.25	ACUITE B (Indicative)
	Foreign Letter of Credit (FLC)	Short Term	4.00	ACUITE A4 (Indicative)
31-Oct-2019	Cash Credit	Long Term	1.25	ACUITE B (Indicative)
	Foreign Letter of Credit (FLC)	Short Term	4.00	ACUITE A4 (Indicative)
29-Aug-2018	Cash Credit	Long Term	1.25	ACUITE B/Stable (Assigned)
	Foreign Letter of Credit (FLC)	Short Term	4.00	ACUITE A4 (Assigned)

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	1.25	ACUITE B (Withdrawn; Issuer not co-operating*)
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE A4 (Withdrawn; Issuer not co-operating*)

Contacts

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About Acuite Ratings & Research:

Acuite 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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