

Press Release

Gopi Synthetics Private Limited

July 28, 2020



Rating Update

Total Bank Facilities Rated*	Rs. 120.90 Cr. #
Long Term Rating	ACUITE BBB (Issuer not co-operating*)
Short Term Rating	ACUITE A3+ (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 BBB**' (**read as ACUITE triple B**) and short term rating of '**ACUITE A3+**' (**read as ACUITE A three plus**) on the Rs. 120.90 crore bank facilities of Gopi Synthetics Private Limited (GSPL). This rating is now an indicative rating and is based on the best available information.

GPPL, established in 1984, is based at Ahmedabad (Gujarat). The company manufactures polypropylene/high-density polyester woven sacks, which are used in cement packaging and is also engaged in manufacturing of woven labels, which are fitted onto readymade garments. GPPL has two finishing units located at Abu Road (Rajasthan) and Silvassa (Dadra). The company has an installed capacity of 18210 MTPA in its woven sacks division and 14 weaving looms in its label division. The company also has a 1.024 MW natural gas-based captive power plants.

Analytical Approach

Acuité has considered the consolidated business and financial risk profiles of Gopi Synthetics Private Limited, Alpine Spinweave Private Limited and Aarnav Industries Private Limited together referred to as the 'Aarnav Group (AG)'. The consolidation is due to the common promoters, significant operational and financial synergies within the group. Extent of consolidation: Full.

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>
- Trading Entities: <https://www.acuite.in/view-rating-criteria-61.htm>
- Consolidation of Companies: <https://www.acuite.in/view-rating-criteria-60.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

	Unit	FY20 (Provisional)	FY19 (Actual)
Operating Income	Rs. Cr.	924.98	912.44
PAT	Rs. Cr.	12.84	10.26
PAT Margin	(%)	1.39	1.12
Total Debt/Tangible Net Worth	Times	1.04	1.00
PBDIT/Interest	Times	2.00	2.11

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

None

Any other information

Acuité had received request for withdrawal of ratings from rated entity, however, rated entity is yet to complete withdrawal formalities in accordance with Acuité's policy on withdrawal of rating.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
06-May-2019	Cash Credit	Long Term	47.00	ACUITE BBB/Stable (Assigned)
	Cash Credit	Long Term	26.00	ACUITE BBB/Stable (Assigned)
	Term Loan	Long Term	19.14	ACUITE BBB/Stable (Assigned)
	Term Loan	Long Term	15.26	ACUITE BBB/Stable (Assigned)
	Bank Guarantee	Short Term	2.00	ACUITE A3+ (Assigned)
	Letter of Credit	Short Term	1.50	ACUITE A3+ (Assigned)
	Bank Guarantee	Short Term	1.50	ACUITE A3+ (Assigned)
	Letter of Credit	Short Term	8.50	ACUITE A3+ (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	47.00	ACUITE BBB (Issuer not co-operating*)
Cash Credit	Not Applicable	Not Applicable	Not Applicable	26.00	ACUITE BBB (Issuer not co-operating*)
Term Loan	Not Applicable	Not Applicable	Not Applicable	19.14	ACUITE BBB (Issuer not co-operating*)
Term Loan	Not Applicable	Not Applicable	Not Applicable	15.26	ACUITE BBB (Issuer not co-operating*)
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A3+ (Issuer not co-operating*)
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	1.50	ACUITE A3+ (Issuer not co-operating*)
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	1.50	ACUITE A3+ (Issuer not co-operating*)
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	8.50	ACUITE A3+ (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 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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