

Gayatri Cotton Mills

October 18, 2022

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	8.00	CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	8.00 (Rs. Eight Crore Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated October 06, 2021, placed the rating(s) of Gayatri Cotton Mills (GCM) under the 'issuer non-cooperating' category as GCM had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. GCM continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated August 22, 2022, September 01, 2022, September 11, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

Detailed description of the key rating drivers

Please refer to PR dated [October 06, 2021](#)

Analytical approach: Standalone

Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

About the Firm

Gayatri Cotton Mills (GCM) was established in June 2012 as a partnership firm by Mr. Innamuri Basavaiah and Mr. Innamuri Subrahmanyam. The firm is engaged in manufacturing and processing of Kappas into cotton lint. The firm has its facilities (14 ginneries and 1 cotton baling press) located at Guntur District of Andhra Pradesh. The firm acquires cotton directly from the farmers and after ginning, sells the same in the domestic market.

Brief Financials (Rs. crore)	FY20 (A)	FY21(A)	FY22(Prov.)	H1FY23(Prov.)
Total operating income	NA	NA	NA	NA
PBILDT	NA	NA	NA	NA
PAT	NA	NA	NA	NA
Overall gearing (times)	NA	NA	NA	NA
Interest coverage (times)	NA	NA	NA	NA

A: Audited; Prov: Provisional; NA: Not Available

Status of non-cooperation with previous CRA: CRISIL has continued the ratings assigned to the bank facilities of GCM to the 'issuer not-cooperating' category vide press release dated January 25, 2022 on account its inability to carryout review in the absence of best available information from the Firm.

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument/facility: Annexure 3

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Complexity level of various instruments rated for this Firm: Annexure 4

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	6.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	September 2020	2.00	CARE D; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings		Rating History				
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	2.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (06-Oct-21)	1)CARE D; ISSUER NOT COOPERATING* (16-Oct-20)	1)CARE B+; ISSUER NOT COOPERATING* (16-Aug-19)
2	Fund-based - LT-Cash Credit	LT	6.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (06-Oct-21)	1)CARE D; ISSUER NOT COOPERATING* (16-Oct-20)	1)CARE B+; ISSUER NOT COOPERATING* (16-Aug-19)

*Issuer did not cooperate; Based on best available information

Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities: Not Applicable

Annexure-4: Complexity level of various instruments rated for this Firm

Sr. No.	Name of Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple

Annexure-5: Bank lender details for this Firm

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About CARE Ratings Limited:

Established in 1993, CARE Ratings Ltd. is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India (SEBI), it has also been acknowledged as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). With an equitable position in the Indian capital market, CARE Ratings Limited provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions backed by knowledge and assessment provided by the company.

With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

Disclaimer

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