

G.V.D. Textiles Private Limited

February 21, 2022

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	13.76	CARE C; Stable; ISSUER NOT COOPERATING* (Single C; Outlook: Stable; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B; Stable; (Single B; Outlook: Stable)
Total Bank Facilities	13.76 (Rs. Thirteen Crore and Seventy-Six Lakhs Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated January 29, 2021, placed the rating(s) of G.V.D. Textiles Private Limited (GTPL) under the 'issuer non-cooperating' category as GTPL 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. GTPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated December 15, 2021, December 25, 2021, January 04, 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).

The ratings assigned to the bank facilities of GTPL have been revised on account of non-availability of requisite information. The ratings also Factored decline scale of operations, incurring of losses as well as debt coverage indicators.

Detailed description of the key rating drivers

Please refer to PR dated [January 29, 2021](#)

Analytical approach: Standalone

Applicable Criteria

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

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

About the Company

Coimbatore based, G.V.D. Textiles Private Limited (GTPL) was incorporated on November 11, 1983. It is engaged into manufacturing of cotton yarn. GTPL is a part of PSG Group, which was established in the year 1926. PSG Group has been in existence for over 8 decades and has diverse business interests ranging from educational institutions, hospitals, science and technology, research, textiles, metallurgy & foundries etc. in Tamil Nadu. GTPL has an installed capacity of 16,384 spindles in its manufacturing unit located at Coimbatore, Tamil Nadu.

Brief Financials (Rs. crore)	31-03-2020 (A)	31-03-2021 (A)	9MFY22(Prov.)
Total operating income	23.64	NA	NA
PBILDT	-2.10	NA	NA
PAT	-3.91	NA	NA
Overall gearing (times)	3.43	NA	NA
Interest coverage (times)	-1.10	NA	NA

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

Status of non-cooperation with previous CRA: CRISIL continued the ratings assigned to the bank facilities of GTPL to the 'issuer not-cooperating' category vide press release dated March 18, 2021 on account its inability to carryout review in the absence of best available information from the company.

Any other information: Not Applicable

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

Covenants of rated instrument/facility: Annexure -3

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

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

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		-	-	-	13.00	CARE C; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	February 2020	0.15	CARE C; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	October 2020	0.20	CARE C; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	February 2022	0.41	CARE C; Stable; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument / Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1	Fund-based - LT-Cash Credit	LT	13.00	CARE C; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (29-Jan-21)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (18-Feb-20)	1)CARE B+; Stable (22-Mar-19)
2	Fund-based - LT-Term Loan	LT	0.15	CARE C; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (29-Jan-21)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (18-Feb-20)	1)CARE B+; Stable (22-Mar-19)
3	Fund-based - LT-Term Loan	LT	0.20	CARE C; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (29-Jan-21)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (18-Feb-20)	1)CARE B+; Stable (22-Mar-19)
4	Fund-based - LT-Term Loan	LT	0.41	CARE C; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (29-Jan-21)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (18-Feb-20)	1)CARE B+; Stable (22-Mar-19)

*Issuer did not cooperate; Based on best available information

Annexure-3: Detailed explanation of covenants of the rated instrument / facilities: Not Applicable**Annexure 4: Complexity level of various instruments rated for this company**

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 Company

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.

Contact us

Media Contact

Name: Mr. Mradul Mishra

Contact no: +91-22-6837 4424

Email ID: mradul.mishra@careedge.in

Analyst Contact

Name: Mrs. Shachee Vyas

Contact no: 079 – 4026 5665

Email ID: shachee.tripathi@careedge.in

Relationship Contact

Name: Pradeep Kumar V

Contact no.: +914428490876/0811/7812

Email ID: pradeep.kumar@careedge.in

About CARE Ratings:

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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.

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