

March 13, 2024

## Chiripal Textile Mills Private Limited: Ratings withdrawn

### Summary of rating action

| Instrument*            | Previous Rated Amount<br>(Rs. crore) | Current Rated Amount<br>(Rs. crore) | Rating Action   |
|------------------------|--------------------------------------|-------------------------------------|---|
| Fund based – Term Loan | 69.41                                | 69.41                               | [ICRA]BBB; Rating Watch with Negative Implications; Withdrawn   |
| Fund Based-Cash Credit | 21.00                                | 21.00                               | [ICRA]BBB; Rating Watch with Negative Implication; Withdrawn  |
| Non-Fund Based         | 6.00                                 | 6.00                                | [ICRA]A3+; Rating Watch with Negative Implication; Withdrawn  |
| Unallocated            | 49.59                                | 49.59                               | [ICRA]BBB Rating Watch with Negative Implication / [ICRA]A3+; Rating Watch with Negative Implication; Withdrawn |
| <b>Total</b>           | <b>146.00</b>                        | <b>146.00</b>                       |   |

\*Instrument details are provided in Annexure I

### Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of **Chiripal Textile Mills Private Limited** at the request of the company and based on the No Objection Certificate received from the bankers, and in accordance with ICRA's policy on withdrawal. ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed.

The Key rating drivers and their description, Liquidity position, Key Financial Indicator and Rating sensitivities have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here](#)

### Analytical approach

| Analytical Approach             | Comments   |
|---------------------------------|--|
| Applicable rating methodologies | <a href="#">Corporate Credit Rating Methodology</a><br><a href="#">Policy on Withdrawal of Credit Ratings</a><br><a href="#">Rating Methodology-Textiles (Spinning)</a><br><a href="#">Rating Methodology-Textiles (Fabric making)</a> |
| Parent/Group support            | Not applicable   |
| Consolidation/Standalone        | For arriving at the ratings, ICRA has consolidated the financials of various Group entities (as mentioned in Annexure-2), given the close business, financial and managerial linkages among them                                       |

### About the company

Chiripal Textile Mills Private Limited, incorporated in 1981, has a ~26-million-metre-per-annum (MMPA) fabric weaving plant at Dholi in Ahmedabad, Gujarat. The company is a part of the Ahmedabad-based Chiripal Group, which has presence in textiles, education, real estate, packaging, and chemicals industries. CTMPL had commissioned its plant in a phased manner over FY2017 and H1 FY2018 and has installed a total of 207 looms, of which 192 are owned looms and 15 have been taken on long-term lease from its Group company.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

### Rating history for past three years

| Instrument              | Type            | Amount rated (Rs. crore) | Amount outstanding* (Rs. crore) | Current rating (FY2024)  |  |  | Chronology of rating history for the past 3 years |                                     |                                     |                                       |                                       |
|-------------------------|-----------------|--------------------------|---------------------------------|--|--|--|---|-------------------------------------|-------------------------------------|---------------------------------------|---------------------------------------|
|                         |                 |                          |                                 | Date & rating in FY2024  |  |  | Date & rating in FY2023                           |                                     | Date & rating in FY2022             |                                       | Date & rating in FY2021               |
|                         |                 |                          |                                 | Mar 13, 2024   | Sep 28, 2023   | Jun 28, 2023   | Dec 19, 2022                                      | Aug 03, 2022                        | Mar 31, 2022                        | Apr 20, 2021                          | Jun 15, 2020                          |
| <b>1 Term loans</b>     | Long term       | 69.41                    | 24.9                            | [ICRA]BBB<br>Rating Watch with Negative Implications;<br>Withdrawn   | [ICRA]BBB<br>Rating Watch with Negative Implication  | [ICRA]BBB+<br>Rating Watch with Negative Implication   | [ICRA]BBB+<br>(Stable)                            | [ICRA]BBB+<br>(Stable)              | [ICRA]BBB+<br>(Stable)              | [ICRA]BBB+<br>(Negative)              | [ICRA]BBB+<br>(Negative)              |
| <b>2 Cash Credit</b>    | Long term       | 21.00                    | -                               | [ICRA]BBB<br>Rating Watch with Negative Implications;<br>Withdrawn   | [ICRA]BBB<br>Rating Watch with Negative Implication  | [ICRA]BBB+<br>Rating Watch with Negative Implication   | [ICRA]BBB+<br>(Stable)                            | [ICRA]BBB+<br>(Stable)              | [ICRA]BBB+<br>(Stable)              | [ICRA]BBB+<br>(Negative)              | [ICRA]BBB+<br>(Negative)              |
| <b>3 Non-Fund Based</b> | Short term      | 6.00                     | -                               | [ICRA]A3+ Rating Watch with Negative Implication;<br>Withdrawn   | [ICRA]A3+ Rating Watch with Negative Implication   | [ICRA]A2 Rating Watch with Negative Implication  | [ICRA]A2  | [ICRA]A2                            | [ICRA]A2                            | [ICRA]A2                              | [ICRA]A2                              |
| <b>4 Unallocated</b>    | Long/Short term | 49.59                    | -                               | [ICRA]BBB<br>Rating Watch with Negative Implications;<br>Withdrawn<br>/[ICRA]A3+ Rating Watch with Negative Implications;<br>Withdrawn | [ICRA]BBB<br>Rating Watch with Negative Implication<br>/[ICRA]A3+ Rating Watch with Negative Implication | [ICRA]BBB+<br>Rating Watch with Negative Implication<br>/[ICRA]A2 Rating Watch with Negative Implication | [ICRA]BBB+<br>(Stable)/<br>[ICRA]A2               | [ICRA]BBB+<br>(Stable)/<br>[ICRA]A2 | [ICRA]BBB+<br>(Stable)/<br>[ICRA]A2 | [ICRA]BBB+<br>(Negative)/<br>[ICRA]A2 | [ICRA]BBB+<br>(Negative)/<br>[ICRA]A2 |

\*As on March 31, 2023

## Complexity level of the rated instruments

| Instrument                         | Complexity Indicator |
|------------------------------------|----------------------|
| Long term - Fund based – Term Loan | Simple               |
| Long term - Fund Based-Cash Credit | Simple               |
| Short term -Non-Fund Based         | Very Simple          |
| Long term/Short Term - Unallocated | NA                   |

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#)

**Annexure I: Instrument details**

| ISIN | Instrument Name                 | Date of Issuance | Coupon Rate | Maturity Date | Amount Rated (Rs. crore) | Current Rating and Outlook   |
|------|---------------------------------|------------------|-------------|---------------|--------------------------|--|
| -    | <b>Fund based – Term Loan</b>   | FY2018           | NA          | FY2026-FY2028 | 69.41                    | [ICRA]BBB; Rating watch with negative implications; Withdrawn  |
| -    | <b>Fund based – Cash Credit</b> | NA               | NA          | NA            | 21.00                    | [ICRA]BBB; Rating watch with negative implications; Withdrawn  |
| -    | <b>Non-Fund Based</b>           | NA               | NA          | NA            | 6.00                     | [ICRA]A3+; Rating watch with negative implications; Withdrawn  |
| -    | <b>Unallocated</b>              | NA               | NA          | NA            | 49.59                    | [ICRA]BBB Rating Watch with Negative Implication / [ICRA]A3+; Rating watch with negative implications; Withdrawn |

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

**Annexure II: List of entities considered for consolidated analysis:**

| Company Name                                  | Ownership | Consolidation Approach |
|---|-----------|------------------------|
| <b>Chiripal Textile Mills Private Limited</b> | NA        | Full Consolidation     |
| <b>Dholi Spintex Private Limited</b>          | NA        | Full Consolidation     |
| <b>Vishal Fabrics Limited</b>                 | NA        | Full Consolidation     |
| <b>Quality Exim Private Limited</b>           | NA        | Full Consolidation     |
| <b>Nandan Industries Private Limited</b>      | NA        | Full Consolidation     |

**Note:** For arriving at the ratings, ICRA has consolidated the financials of above group entities, given the close business, financial and managerial linkages among them.

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### Branches



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