

March 21, 2024

Gayatri Weavers Private Limited: Ratings withdrawn

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term – Fund Based - Term Loan	17.01	17.01	[ICRA]BBB+ (CE) (Stable); withdrawn
Long-term – Fund Based - GECL*	6.22	6.22	[ICRA]BBB- (Stable); withdrawn
Long-term/Short-term – Unallocated amount	3.11	3.11	[ICRA]BBB- (Stable)/[ICRA]A3; withdrawn
Total	26.34	26.34	

[^]Instrument details are provided in Annexure-1, * Guaranteed Emergency Credit Line

Rating Without Explicit Credit Enhancement	[ICRA]BBB-
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Note: The (CE) suffix mentioned alongside the rating symbol indicates that the rated instrument/facility is backed by some form of explicit credit enhancement. This rating is specific to the rated instrument/facility, its terms and its structure and does not represent ICRA's opinion on the general credit quality of the entity concerned. The last row in the table above also captures ICRA's opinion on the rating without factoring in the explicit credit enhancement.

Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of **Gayatri Weavers Private Limited (GWPL)** at the request of the company and based on the No Objection Certificate received from the banker, 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, 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position, key financial indicator and rating sensitivities have not been captured as the rated instruments are being withdrawn.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	Corporate Credit Rating Methodology Policy on Withdrawal of Credit Ratings Textiles (Fabric Making)
Parent/Group support	Parent Company-Jindal Worldwide Limited. The ratings for the bank facilities are based on GWPL's standalone business and financial profiles, which have been enhanced on the basis of significant business and financial linkages with the JWL Group and an unconditional and irrevocable corporate guarantee provided by JWL. This corporate guarantee meets other attributes as specified by the RBI guidance note and ICRA's methodology on CE rating, ICRA expects JWL to extend need-based funding support to JWL
Consolidation/Standalone	Standalone

About the company

Gayatri Weavers Private Limited was incorporated in 2005 by Agrawal family and is a part of the Ahmedabad-based Jindal Group and is involved in weaving of denim fabric. The fabric manufactured by it is captively consumed by JWL. The arrangement is done majorly by way of direct sale arrangement, with another 5-10% of revenues recorded by way of job work.

About the guarantor

Jindal Worldwide Limited (JWL) is the flagship company of the Ahmedabad-based Jindal Group. It is promoted by the Agrawal family and was incorporated in 1986. It is listed on BSE and NSE and is a leading textile player in India. With an annual installed capacity of ~140 million metre (including job work) per annum, JWL is among the leading players involved in denim manufacturing in India. It also manufactures cotton-based bottom-wear and printed shirting.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current rating (FY2024)			Chronology of rating history for the past 3 years			
	Type	Amount rated (Rs. crore)	Amount outstanding* (Rs. crore) As on March 31, 2023	Date & rating in FY2024	Date & rating in FY2023	Date & rating in FY2022	Date & rating in FY2021
				Mar 21 2024	Jan 19, 2023	-	-
1 Term Loan	Long-term	17.01	17.01	[ICRA]BBB+ (CE) (Stable); withdrawn	[ICRA]BBB+ (CE) (Stable)	-	-
2 GECL	Long-term	6.22	6.22	[ICRA]BBB- (Stable); withdrawn	[ICRA]BBB- (Stable)	-	-
3 Unallocated amount	Long-term/Short-term	3.11	-	[ICRA]BBB- (Stable)/[ICRA]A3; withdrawn	[ICRA]BBB- (Stable)/[ICRA]A3		

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term – Fund Based -Term Loan	Simple
Long-term – Fund Based - GECL	Simple
Long-term/Short-term – Unallocated amount	Not applicable

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
NA	Term Loan-I	2018	-	2028	17.01	[ICRA]BBB+ (CE) (Stable); withdrawn
NA	GECL	2022	-	2027	6.22	[ICRA]BBB- (Stable); withdrawn
NA	Unallocated amount	-	-	-	3.11	[ICRA]BBB- (Stable)/[ICRA]A3; 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: Not Applicable

ANALYST CONTACTS

Jayanta Roy

+91 33 7150 1100

jayanta@icraindia.com

Priyesh Ruparelia

+91 22 6169 3328

priyesh.ruparelia@icraindia.com

Taanisha Sharma

+91 22 6169 3379

taanisha.sharma@icraindia.com

RELATIONSHIP CONTACT

L Shivakumar

+91 22 6114 3406

shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani

Tel: +91 124 4545 860

communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

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ICRA Limited



Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45



Branches



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