

April 04, 2024

Chennai Textiles: Continues to remain under issuer non-Cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Short Term-Fund Based-Cash Credit	25.00	25.00	[ICRA]A4; ISSUER NOT COOPERATING*; Rating Continues to remain under issuer not cooperating category
Total	25.00	25.00	

*Issuer did not cooperate; based on best available information.

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has kept the Short-term ratings for the bank facilities of Chennai Textiles in the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]A4; ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with Chennai Textiles, ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures the Key rating drivers and their description, Liquidity position, Rating sensitivities, Key Financial Indicator: [Click here](#). ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology Rating Methodology – Textiles (Spinning)
Parent/Group Support	Subsidiary of Ramalinga Group of Companies
Consolidation/Standalone	Not Applicable

About the company

Chennai Textiles was initially established as a partnership firm in 1984 under the name Subhashini Enterprises and primarily trades in yarn and fabrics. The firm markets its products to international garment manufacturers and traders in overseas markets like China, Indonesia and, recently, Chile. It has a commercial building of constructed area of 8000 sq.ft. at Kilpauk, Chennai.

Status of non-cooperation with previous CRA: NA

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2025)				Chronology of Rating History for the past 3 years			
		Type	Amount Rated (Rs. Crore)	Amount Outstandi ng (Rs. Crore)	Date & Rating in	Date & Rating in FY2023	Date & Rating in FY2022	Date & Rating in FY2021	
					04-April-2024	28-February- 2023	19-January-2022	20-November- 2020	
1	Cash Credit	Short Term	25.00	-	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple

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, is available on ICRA's website: [Click Here](#)

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Short Term-Fund Based-Cash Credit	-	-	-	25.00	[ICRA]A4; ISSUER NOT COOPERATING

Source: Chennai Textiles

Annexure-2: List of entities considered for consolidated analysis: Not Applicable

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About ICRA Limited:

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Branches



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