

March 13, 2024

Chiripal Textile Mills Private Limited: Ratings withdrawn

Summary of rating action

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Fund based – Term Loan	69.41	69.41	[ICRA]BBB; Rating Watch with Negative Implications; Withdrawn
Fund Based-Cash Credit	21.00	21.00	[ICRA]BBB; Rating Watch with Negative Implication; Withdrawn
Non-Fund Based	6.00	6.00	[ICRA]A3+; Rating Watch with Negative Implication; Withdrawn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49.59	49.59	[ICRA]BBB Rating Watch with Negative Implication / [ICRA]A3+; Rating Watch with Negative Implication; Withdrawn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

*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ICRA has withdrawn the ratings assigned to the bank facilities of **Chiripal Textile Mills Private Limited** at the request of the company and based on the No Objection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position, Key Financial Indicator and Rating sensitivities have not been captured as the rated instruments are being withdrawn.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	Corporate Credit Rating Methodology Policy on Withdrawal of Credit Ratings Rating Methodology-Textiles (Spinning) Rating Methodology-Textiles (Fabric making)
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	
1 Term loans	Long term	69.41	24.9	[ICRA]BBB Rating Watch with Negative Implications; Withdrawn	[ICRA]BBB Rating Watch with Negative Implication	[ICRA]BBB+ Rating Watch with Negative Implication	[ICRA]BBB+ (Stable)	[ICRA]BBB+ (Stable)	[ICRA]BBB+ (Stable)	[ICRA]BBB+ (Negative)	[ICRA]BBB+ (Negative)	
2 Cash Credit	Long term	21.00	-	[ICRA]BBB Rating Watch with Negative Implications; Withdrawn	[ICRA]BBB Rating Watch with Negative Implication	[ICRA]BBB+ Rating Watch with Negative Implication	[ICRA]BBB+ (Stable)	[ICRA]BBB+ (Stable)	[ICRA]BBB+ (Stable)	[ICRA]BBB+ (Negative)	[ICRA]BBB+ (Negative)	
3 Non-Fund Based	Short term	6.00	-	[ICRA]A3+ Rating Watch with Negative Implication; 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	
4 Unallocated	Long/Short term	49.59	-	[ICRA]BBB Rating Watch with Negative Implications; Withdrawn /[ICRA]A3+ Rating Watch with Negative Implications; Withdrawn	[ICRA]BBB Rating Watch with Negative Implication /[ICRA]A3+ Rating Watch with Negative Implication	[ICRA]BBB+ Rating Watch with Negative Implication /[ICRA]A2 Rating Watch with Negative Implication	[ICRA]BBB+ (Stable)/ [ICRA]A2	[ICRA]BBB+ (Stable)/ [ICRA]A2	[ICRA]BBB+ (Stable)/ [ICRA]A2	[ICRA]BBB+ (Negative)/ [ICRA]A2	[ICRA]BBB+ (Negative)/ [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
-	Fund based – Term Loan	FY2018	NA	FY2026-FY2028	69.41	[ICRA]BBB; Rating watch with negative implications; Withdrawn
-	Fund based – Cash Credit	NA	NA	NA	21.00	[ICRA]BBB; Rating watch with negative implications; Withdrawn
-	Non-Fund Based	NA	NA	NA	6.00	[ICRA]A3+; Rating watch with negative implications; Withdrawn
-	Unallocated	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
Chiripal Textile Mills Private Limited	NA	Full Consolidation
Dholi Spintex Private Limited	NA	Full Consolidation
Vishal Fabrics Limited	NA	Full Consolidation
Quality Exim Private Limited	NA	Full Consolidation
Nandan Industries Private Limited	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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About ICRA Limited:

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Branches



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