

## Press Release

**Nirmal Fibres Private Limited**

September 26, 2017



### Rating Update

|                                     |                                       |
|-------------------------------------|---------------------------------------|
| <b>Total Bank Facilities Rated*</b> | Rs. 28.00 Cr. #                       |
| <b>Long Term Rating</b>             | SMERA BBB<br>Issuer not co-operating* |
| <b>Short Term Rating</b>            | SMERA A3+<br>Issuer not co-operating* |

# Refer Annexure for details

\* The issuer did not co-operate; Based on best available information.

SMERA has reviewed long-term rating of '**SMERA BBB**' (read as **SMERA BBB**) and short term rating of '**SMERA A3+**' (read as '**SMERA A three plus**') on the Rs. 28.00 crore bank facilities of Nirmal Fibres Private Limited. This rating is now an indicative rating and is based on best available information.

#### Non-cooperation by the issuer/borrower

SMERA has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer / borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and SMERA's policies.

#### Applicable Criteria

- Default Recognition - <https://www.smera.in/criteria-default.htm>
- Manufacturing Entities - <https://www.smera.in/criteria-manufacturing.htm>

#### Limitation regarding information availability

The rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). SMERA endeavoured to gather information about the entity / industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

#### About the Rated Entity

NFPL, incorporated in 1995, is a Delhi-based company engaged in manufacturing of RPSF and PPNF (Polypropylene Non Woven Fabric). The company has a manufacturing facility in Gajraula, Uttar Pradesh. The overall operations of the company are jointly managed by Mr. Ajit Prasad Jain, Mr. Raj Kumar Jain and Mr. Sanjiv Kumar Jain.

For FY2014-15, NFPL reported profit after tax (PAT) of Rs.2.32 crore on revenues of Rs.130.78 crore, as compared with PAT of Rs.4.32 crore on revenues of Rs.155.99 crore for FY2013-14.

#### Rating History (Upto last three years)

| Date        | Name of Instrument / Facilities | Term      | Amount (Rs. Cr.) | Ratings/Outlook    |
|-------------|---------------------------------|-----------|------------------|--------------------|
| 20-May-2016 | Cash Credit                     | Long Term | INR 14           | SMERA BBB / Stable |

|             |                           |            |        |                     |
|-------------|---------------------------|------------|--------|---------------------|
|             | Packing Credit            | Short Term | INR 1  | SMERA A3+           |
|             | Letter of Credit          | Short Term | INR 5  | SMERA A3+           |
|             | Proposed Letter of Credit | Long Term  | INR 8  | SMERA BBB / Stable  |
|             | Term Loan                 | Long Term  | INR 4  | SMERA BBB / Stable  |
|             | Letter of Credit          | Short Term | INR 2  | SMERA A3+           |
| 03-Mar-2015 | Cash Credit               | Long Term  | INR 7  | SMERA BBB / Stable  |
|             | Term Loan                 | Long Term  | INR 4  | SMERA BBB / Stable  |
|             | Letter of Credit          | Short Term | INR 15 | SMERA A3+           |
|             | Letter of Credit          | Short Term | INR 2  | SMERA A3+           |
| 04-Apr-2014 | Cash Credit               | Long Term  | INR 7  | SMERA BBB- / Stable |
|             | Term Loan                 | Long Term  | INR 4  | SMERA BBB- / Stable |
|             | Letter of Credit          | Short Term | INR 15 | SMERA A3            |
|             | Letter of Credit          | Short Term | INR 2  | SMERA A3            |

#### #Annexure – Details of instruments rated

| Name of the Facilities | Date of Issuance | Coupon Rate    | Maturity Date  | Size of the Issue (Rs. Cr.) | Ratings                               |
|------------------------|------------------|----------------|----------------|-----------------------------|---------------------------------------|
| Cash Credit            | Not Applicable   | Not Applicable | Not Applicable | 14.00                       | SMERA BBB<br>Issuer not co-operating* |
| Term loans             | Not Applicable   | Not Applicable | Not Applicable | 4.00                        | SMERA BBB<br>Issuer not co-operating* |
| PC/PCFC                | Not Applicable   | Not Applicable | Not Applicable | 1.00                        | SMERA A3+<br>Issuer not co-operating* |
| Letter of credit       | Not Applicable   | Not Applicable | Not Applicable | 5.00                        | SMERA A3+<br>Issuer not co-operating* |
| Letter of credit       | Not Applicable   | Not Applicable | Not Applicable | 2.00                        | SMERA A3+<br>Issuer not co-operating* |
| Proposed               | Not Applicable   | Not Applicable | Not Applicable | 8.00                        | SMERA BBB<br>Issuer not co-operating* |

\*The issuer did not co-operate; Based on best available information.

#### Contacts

|            |             |
|------------|-------------|
| Analytical | Rating Desk |
|------------|-------------|

|   |   |
|---|---|
| Vinayak Nayak<br>Head – Ratings Operations<br>Tel: 022-67141190<br><a href="mailto:vinayak.nayak@smera.in">vinayak.nayak@smera.in</a>             | Varsha Bist<br>Manager - Rating Desk<br>Tel: 022-67141160<br><a href="mailto:varsha.bist@smera.in">varsha.bist@smera.in</a> |
| Namita Palve<br>Executive Analyst - Rating<br>Operations<br>Tel: 022-67141129<br><a href="mailto:namita.palve@smera.in">namita.palve@smera.in</a> |   |

#### ABOUT SMERA

SMERA Ratings Limited is a joint initiative of SIDBI, D&B and leading public and private sector banks in India. SMERA is registered with SEBI, accredited by RBI as an External Credit Assessment Institution (ECAI), under BASEL-II norms for undertaking Bank Loan Ratings. SMERA Bond Ratings is a division of SMERA Ratings Limited responsible for ratings of bank facilities, and capital market/money market debt instruments such as Bonds, Debentures, Commercial Papers, Fixed Deposits, Certificate of Deposits etc.. For more details, please visit [www.smera.in](http://www.smera.in).

**Disclaimer:** *A SMERA rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. SMERA ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. SMERA ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website ([www.smera.in](http://www.smera.in)) for the latest information on any instrument rated by SMERA.*