

Press Release

Sidana Silk Mills Private Limited (SSMPL)

27 May, 2017

Rating Update

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|--------------------------------------|--------------------------------------|
| Total Bank Facilities Rated* | Rs.6.55 Cr |
| Long Term Rating (Indicative) | SMERA B+ Issuer not co-operating* |
| Long Term Rating (Indicative) | SMERA A4 Issuer not co-operating* |

#Refer Annexure for details

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

SMERA has reviewed the long term rating of '**SMERA B+** (read as SMERA B plus) and short term rating of '**SMERA A4+**' (read as SMERA A four plus) on the Rs.6.55 crore bank facilities of Sidana Silk Mills Private Limited(SSMPL). 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

- Manufacturing Entities: <https://www.smera.in/criteria-manufacturing.htm>
- Default Recognition: <https://www.smera.in/criteria-default.htm>
- Financial Ratios and Adjustments: <https://www.smera.in/criteria-fin-ratios.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: Incorporated in 1981, Sidana Silk was taken over by Mr.Indrajeetingh Chug in 2002. The company is engaged in the manufacture of grey cloth used in shirtings at Vasai, MIDC - Tarapur Palghar district and has an installed capacity of 3,25,000 MTPM (meters per month). Currently, it operates at 73 percent capacity.

For FY2014-15, Sidana Silk reported profit after tax (PAT) of Rs.0.13 Cr, on operating income of Rs.13.55 Cr, as compared with PAT of Rs.0.24 Cr on operating income of Rs.14.34 Cr in the previous year.

Rating History for the last three years:

| Date | Name of Instrument / Facilities | Term | Amount (Rs. Cr.) | Ratings/Outlook |
|------------------|---------------------------------|------------|------------------|----------------------------|
| 23-February-2016 | Cash Credit | Long Term | 2.00 | SMERA B+/Stable (Assigned) |
| | Term Loan | Long Term | 4.35 | SMERA B+/Stable (Assigned) |
| | Bank Guarantee | Short Term | 0.20 | SMERA A4 (Assigned) |

Annexure – Details of instruments rated:

| Name of the Facilities | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. Crore) | Ratings |
|------------------------|------------------|-------------|---------------|-------------------------------|--------------------------------------|
| Cash Credit | NA | NA | NA | 2.00 | SMERA B+ Issuer not co-operating* |
| Term Loan | NA | NA | NA | 4.35 | SMERA B+ Issuer not co-operating* |
| Bank Guarantee | NA | NA | NA | 0.20 | SMERA A4 Issuer not co-operating* |

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

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ABOUT SMERA

SMERA Ratings Limited is a joint initiative of SIDBI, Dun & Bradstreet Information Services India Private Limited (D&B) and leading public and private sector banks in India. SMERA is registered with SEBI as a Credit Rating Agency and accredited by Reserve Bank of India. For more details, please visit www.smera.in.

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