

Press Release

D.F.F. Textiles

March 07, 2019



Rating Withdrawn

Total Bank Facilities Rated*	Rs. 8.72 Cr.
Long Term Rating	ACUITE BB (Withdrawn)
Short Term Rating	ACUITE A4+ (Withdrawn)

* Refer Annexure for details

Rating Rationale

Acuité has withdrawn long-term rating of '**ACUITE BB**' (**read as ACUITE double B**) and short-term rating of '**ACUITE A4+**' (**read as ACUITE A four plus**) on the Rs. 8.72 crore bank facilities of D F F TEXTILES.

DFFT, established in the year 2005, is a Coimbatore based partnership firm promoted by Mr. Ernest NavamonyChellaraj and Mrs. S. Roseline Ernest. The company is into manufacturing of cotton yarn, fabrics and trading of textile machinery.

Analytical Approach

Acuité has considered standalone business and financial risk profile of DFFT to arrive at the rating.

About the Rated Entity - Key Financials

	Unit	FY16 (Actual)	FY15 (Actual)	FY14 (Actual)
Operating Income	Rs. Cr.	27.86	33.23	28.52
EBITDA	Rs. Cr.	2.34	2.82	2.17
PAT	Rs. Cr.	0.46	0.90	0.60
EBITDA Margin	(%)	8.39	8.48	7.60
PAT Margin	(%)	1.64	2.70	2.11
ROCE	(%)	7.04	10.24	9.79
Total Debt/Tangible Net Worth	Times	0.73	0.63	0.72
PBDIT/Interest	Times	3.05	3.54	3.52
Total Debt/PBDIT	Times	3.21	2.33	3.08
Gross Current Assets (Days)	Days	122	84	90

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

None

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>

Note on complexity levels of the rated instrument

<https://www.acuite.in/criteria-complexity-levels.htm>

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
17-Mar-2018	Cash Credit	Long Term	INR 4.5	ACUITE BB (Indicative)
	Term Loan	Long Term	INR 0.39	ACUITE BB (Indicative)
	Term Loan	Long Term	INR 0.64	ACUITE BB (Indicative)
	Term Loan	Long Term	INR 1.96	ACUITE BB (Indicative)
	Letter of Credit	Short Term	INR 0.5	ACUITE A4+ (Indicative)
	Derivative Exposure	Short Term	INR 0.5	ACUITE A4+ (Indicative)
	Bank Guarantee	Short Term	INR 0.23	ACUITE A4+ (Indicative)
22-Dec-2016	Cash Credit	Long Term	INR 4.5	ACUITE BB / Stable (Assigned)
	Term Loan	Long Term	INR 0.39	ACUITE BB / Stable (Assigned)
	Term Loan	Long Term	INR 0.64	ACUITE BB / Stable (Assigned)
	Term Loan	Long Term	INR 1.96	ACUITE BB / Stable (Assigned)
	Letter of Credit	Short Term	INR 0.5	ACUITE A4+ (Assigned)
	Derivative Exposure	Short Term	INR 0.5	ACUITE A4+ (Assigned)
	Bank Guarantee	Short Term	INR 0.23	ACUITE A4+ (Assigned)
13-Aug-2016	Cash Credit	Long Term	INR 4	ACUITE BB / Stable (Suspended)
	Term Loan	Long Term	INR 0.32	ACUITE BB / Stable (Suspended)
	Term Loan	Long Term	INR 0.52	ACUITE BB / Stable (Suspended)
	Term Loan	Long Term	INR 1.39	ACUITE BB / Stable (Suspended)
	Letter of Credit	Short Term	INR 0.5	ACUITE A4+ (Suspended)
	Derivative Exposure	Short Term	INR 0.5	ACUITE A4+ (Suspended)
27-May-2015	Cash Credit	Long Term	INR 4	ACUITE BB / Stable (Assigned)
	Term Loan	Long Term	INR 0.32	ACUITE BB / Stable (Assigned)
	Term Loan	Long Term	INR 0.52	ACUITE BB / Stable (Assigned)
	Term Loan	Long Term	INR 1.39	ACUITE BB / Stable (Assigned)
	Letter of Credit	Short Term	INR 0.5	ACUITE A4+ (Assigned)
	Derivative Exposure	Short Term	INR 0.5	ACUITE A4+ (Assigned)

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	4.50	ACUITE BB (Withdrawn)
Term loans	Not Applicable	Not Applicable	Not Applicable	0.39	ACUITE BB (Withdrawn)
Term loans	Not Applicable	Not Applicable	Not Applicable	0.64	ACUITE BB (Withdrawn)
Term loans	Not Applicable	Not Applicable	Not Applicable	1.96	ACUITE BB (Withdrawn)
Letter of credit	Not Applicable	Not Applicable	Not Applicable	0.50	ACUITE A4+ (Withdrawn)
Forward Cover limits	Not Applicable	Not Applicable	Not Applicable	0.50	ACUITE A4+ (Withdrawn)
Bank guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	0.23	ACUITE A4+ (Withdrawn)

Contacts

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About Acuité Ratings & Research:

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