

Press Release

Minaxi Textiles Limited

March 17, 2018

Rating Update



Total Bank Facilities Rated*	Rs.25.18 Cr
Long Term Rating (Indicative)	SMERA BB Issuer not co-operating*
Short 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 long-term rating of '**SMERA BB**' (**read as SMERA double BB**) and short term rating of '**SMERA 4+**' (**read as 'SMERA A4+'**) on the Rs.25.18 crore bank facilities of Minaxi Textiles 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>
- 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 1995, MTL, promoted by Mr. Bharat Patel and family is engaged in the manufacturing of grey cloth used in suiting and shirting.

MTL reported profit after tax (PAT) of Rs. 1.54 cr on operating income of Rs.54.23 cr for FY2015–16, as compared with PAT of Rs.1.52 cr on operating income of Rs.54.53 cr in the previous year. The tangible net worth stood at Rs. 13.01 cr as on March 31, 2016 as against Rs. 11.47 cr in the previous year.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
24-Apr-2017	Term Loan	Long Term	INR 8.78	SMERA BB / Stable (Reaffirmed)
	Cash credit	Long Term	INR 15.50	SMERA BB/ Stable (Reaffirmed)
	Letter of Credit	Short Term	INR 0.30	SMERA A4+ (Reaffirmed)
	Bank Guarantee	Short Term	INR 0.60	SMERA A4+ (Reaffirmed)
28-Sep-2015	Term Loan	Long Term	INR 8.78	SMERA BB / Stable (Assigned)
	Cash credit	Long Term	INR 15.50	SMERA BB/ Stable (Assigned)
	Letter of Credit	Short Term	INR 0.30	SMERA A4+ (Assigned)
	Bank Guarantee	Short Term	INR 0.60	SMERA 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
Term Loan	Not Applicable	Not Applicable	Not Applicable	INR 8.78	SMERA BB Issuer not co-operating*
Cash credit	Not Applicable	Not Applicable	Not Applicable	INR 15.50	SMERA BB Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	INR 0.30	SMERA A4+ Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	INR 0.60	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, 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.

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