

Press Release

Minaxi Textiles Limited

December 04, 2019

Rating Update



Total Bank Facilities Rated*	Rs.25.18 Cr.#
Long Term Rating	ACUITE D Issuer not co-operating*
Short Term Rating	ACUITE D Issuer not co-operating*

#Refer Annexure for details

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

Acuité has reviewed the long-term rating of '**ACUITE D' (read as ACUITE D)** and short term rating of '**ACUITE D' (read as ACUITE D)** on the Rs. 25.18 crore bank facilities of Minaxi textile limited. This rating is now an indicative rating and is based on best available information.

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 networth stood at Rs. 13.01 cr as on March 31, 2016 as against Rs. 11.47 cr in the previous year.

Non-cooperation by the issuer/borrower:

Acuité 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 Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.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). Acuité endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest Financial Statements despite repeated attempts.

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

None

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
09-Sept-2018	Term Loan	Long Term	8.78	ACUITE D (Downgraded) Issuer not co-operating* *
	Cash Credit	Long Term	15.5	ACUITE D (Downgraded) Issuer not co-operating*
	Letter of Credit	Short Term	0.30	ACUITE D (Downgraded) Issuer not co-operating* *
	Bank Guarantee	Short Term	0.60	ACUITE D (Downgraded) Issuer not co-operating*
17-March-2018	Term Loan	Long Term	8.78	ACUITE BB (Indicative)
	Cash Credit	Long Term	15.5	ACUITE BB (Indicative)
	Letter of Credit	Short Term	0.30	ACUITE A4+ (Indicative)
	Bank Guarantee	Long Term	0.60	ACUITE A4+ (Indicative)
20-Jul-2017	Term Loan	Long Term	8.78	ACUITE BB-/ Stable (Reaffirmed)
	Cash Credit	Long Term	15.5	ACUITE BB-/ Stable (Reaffirmed)
	Letter of Credit	Short Term	0.30	ACUITE A4+ (Reaffirmed)
	Bank Guarantee	Long Term	0.60	ACUITE A4+ (Reaffirmed)

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

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Term Loan	Not Applicable	Not Applicable	Not Applicable	8.78	ACUITE D Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	15.5	ACUITE D Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	0.30	ACUITE D Issuer not cooperating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	0.60	ACUITE D Issuer not co-operating*

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

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (*Erstwhile SMERA Ratings Limited*) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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