

Press Release

ABC Garments

20 March, 2018

Rating Update



Total Bank Facilities Rated*	Rs.10.98 Cr
Long Term Rating (Indicative)	SMERA D Issuer not co-operating*
Short Term Rating(Indicative)	SMERA D 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 D**' (read as **SMERA D**) and short term rating of '**SMERA D**' (read as **SMERA D**) on the Rs.10.98 crore bank facilities of ABC Garments. 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 endeavored 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

The Tamil Nadu based ABCG established in 1993 is a partnership firm engaged in the manufacture and export of readymade garments for men, women and kids. The firm exports its products to Europe, USA among others. The firm is headed Mr. R Annadurai, Partner, who possesses experience of over two decades in the business.

For FY2013-14, ABCG reported net profit of Rs. 0.35 crore on operating income of Rs. 11.08 crore, as compared with net profit of Rs. 0.27 crore on operating income of Rs. 9.10 crore in FY2012-13. The company's Net worth stood at Rs.3.57 crore as on march 31, 2014 as against 3.30 crore a year earlier.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
26-Dec-2016	Cash Credit	Long Term	INR 2.00	SMERA D (Downgraded)
	Term Loan	Long Term	INR 0.08	SMERA D (Downgraded)
	Term Loan	Long Term	INR 0.33	SMERA D (Downgraded)
	Bank Guarantee	Short Term	INR 0.02	SMERA D (Downgraded)
	Packing Credit	Short Term	INR 5.00	SMERA D (Downgraded)
	Derivative Exposure	Short Term	INR 0.05	SMERA D (Downgraded)
	Letter of Credit	Short Term	INR 1.00	SMERA D (Downgraded)
	Bills Discounting	Short Term	INR 2.50	SMERA D (Downgraded)
12-Oct-2015	Cash Credit	Long Term	INR 2.00	SMERA BB- / Stable (Assigned)
	Term Loan	Long Term	INR 0.08	SMERA BB- / Stable (Assigned)
	Term Loan	Long Term	INR 0.33	SMERA BB- / Stable (Assigned)
	Bank Guarantee	Short Term	INR 0.02	SMERA A4+ (Assigned)
	Packing Credit	Short Term	INR 5.00	SMERA A4+ (Assigned)
	Derivative Exposure	Short Term	INR 0.05	SMERA A4+ (Assigned)
	Letter of Credit	Short Term	INR 1.00	SMERA A4+ (Assigned)
	Bill Discounting	Short Term	INR 2.50	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
Cash Credit	Not Applicable	Not Applicable	Not Applicable	INR 2.00	SMERA D Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	INR 0.08	SMERA D Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	INR 0.33	SMERA D Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	INR 0.02	SMERA D Issuer not co-operating*
Packing Credit	Not Applicable	Not Applicable	Not Applicable	INR 5.00	SMERA D Issuer not co-operating*
Derivative Exposure	Not Applicable	Not Applicable	Not Applicable	INR 0.05	SMERA D Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	INR 1.00	SMERA D Issuer not co-operating*

SMERA Ratings Limited

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CIN: U74999MH2005PLC155683 | SEBI Permanent Registration No.: IN / CRA / 006 / 2011

Bill Discounting	Not Applicable	Not Applicable	Not Applicable	INR 2.50	SMERA D Issuer not co-operating*
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**The issuer did not co-operate; Based on best available information.*

Contacts

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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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