

Press Release

Sangam Weavers Private Limited



February 07, 2018

Total Bank Facilities Rated*	Rs.11.00 Cr
Long Term Rating	SMERA BB/Stable (Withdrawn)

* Refer Annexure for details

Rating Rationale

SMERA has withdrawn long-term rating of '**SMERA BB**' (read as **SMERA double B**) for Rs. 11.00 crore bank facilities of Sangam Weavers Private Limited (SWPL). The above is at the request of SWPL and NDS (No Dues Certificate) received from Banker.

SWPL, incorporated in 1996 by Mr. Ramesh Kumar Jain, Mr. Bipin Kumar Jain and Mr. Dinesh Kumar Jain, is a Ludhiana based private limited company, engaged in the manufacturing of fabrics and manufacturing of readymade garments for men's, ladies and kids such as Track suits, T-shirts and Sweatshirt etc. Currently, operations of the company are overseeing by Mr. Ramesh Kumar Jain, Director, who has experience of around 25 years in the textile industry.

About the Rated Entity – Key financials

Particulars	Unit	FY17	FY16	FY15
Operating Income	Rs. Cr.	47.07	46.97	40.40
EBITDA	Rs. Cr.	2.37	2.39	2.17
Profit after Tax (PAT)	Rs. Cr.	0.43	0.42	0.61
EBITDA Margin	(%)	5.03	5.09	5.37
PAT Margin	(%)	0.91	0.89	1.52
ROCE	(%)	10.43	11.29	9.32
Total Debt/Tangible Net Worth	Times	0.72	0.84	0.77
PBDIT/Interest	Times	1.90	1.74	1.61
Total Debt/PBDIT	Times	3.17	3.37	3.50
Gross Current Assets (Days)	Days	166	171	189

Analytical Approach

SMERA has used standalone approach for financial and business risk profiles of SWPL.

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

None

Any other information

None

Applicable Criteria

SMERA Ratings Limited

Registered Office: 102, Sumer Plaza, Marol Maroshi Road, Marol, Andheri
(East), Mumbai - 400 059 CIN: U74999MH2005PLC155683 | SEBI
Permanent Registration No.: IN / CRA / 006 / 2011

- Default Recognition-<https://www.smera.in/criteria-default.htm>
- Financial Ratios And Adjustments -<https://www.smera.in/criteria-fin-ratios.htm>
- Manufacturing Entities-<https://www.smera.in/criteria-manufacturing.htm>

Rating History for the last three years

Date	Name of Facilities	Term	Amount (Rs. Crore)	Ratings/ Outlook
24th Nov 16	Cash Credit	Long Term	9.00	SMERA BB / Stable (Reaffirmed)
	Term Loan	Long Term	1.87	SMERA BB / Stable (Reaffirmed)
	Proposed Long Term Loan	Long Term	0.13	SMERA BB / Stable (Reaffirmed)
18th Dec 15	Cash Credit	Long Term	9.00	SMERA BB / Stable (Assigned)
	Term Loan	Long Term	0.98	SMERA BB / Stable (Assigned)
	Proposed Working Capital Demand Loan	Long Term	1.02	SMERA BB / Stable (Assigned)

*Annexure – Details of instruments rated:

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/ Outlook
Cash Credit	N.A	N.A	N.A	9.00	SMERA BB / Stable (Withdrawn)
Term Loan	N.A	N.A	N.A	1.87	SMERA BB / Stable (Withdrawn)
Proposed Long Term Loan	N.A	N.A	N.A	0.13	SMERA BB / Stable (Withdrawn)

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ABOUT SMERA

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