

Press Release

Tulip Apparels Private Limited

October 08, 2018



Rating Update

Total Bank Facilities Rated*	Rs. 15.00 Cr.#
Long Term Rating	ACUITE BB Issuer not co-operating*

#Refer Annexure for details

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

Rating Rationale

Acuité has reviewed the long-term rating of '**ACUITE BB** (read as ACUITE double B) on the Rs.15.00 crore bank facilities of Tulip Apparels Private Limited. This rating is now an indicative rating and is based on best available information.

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/view-rating-criteria-17.htm>
- Financial Ratios and Adjustments: <https://www.acuite.in/financial-sector-ratings.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:

TAPL, incorporated in 2000, is engaged in the manufacturing of high quality embroidered fabrics and laces. The company undertakes computerized embroidery work on job work basis. It started off as an embroidery unit and diversified into manufacturing of fabrics for ladies in 2007 becoming one of the leading embroidery companies in Northern India. The company is associated with reputed brands such as H&M, Benetton to name a few.

For FY2014-15, TAPL reported net profit of Rs.0.56 crore on operating income of Rs.18.48 crore as compared to net profit of Rs.0.45 crore on operating income of Rs.17.53 crore in FY2013-14. The net worth stood at Rs.13.63 crore as on March 31, 2015, as compared to Rs.12.17 crore a year earlier.

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
12th May 17	Cash Credit	Long term	5.40	ACUITE BB (Indicative)
	Term Loan	Long term	8.38	ACUITE BB (Indicative)
	Standby Line of Credit	Long term	0.54	ACUITE BB (Indicative)
	Proposed Bank Facility	Long term	0.68	ACUITE BB (Indicative)
5th Feb 16	Cash Credit	Long Term	5.40	ACUITE BB/Stable (Assigned)
	Term Loan	Long Term	8.38	ACUITE BB/Stable (Assigned)
	Standby Line of Credit	Long Term	0.54	ACUITE BB/Stable (Assigned)
	Proposed Bank Facility	Long Term	0.68	ACUITE 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	Not Applicable	Not Applicable	Not Applicable	5.40	ACUITE BB Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	8.38	ACUITE BB Issuer not co-operating*
Standby Line of Credit	Not Applicable	Not Applicable	Not Applicable	0.54	ACUITE BB Issuer not co-operating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	0.68	ACUITE BB Issuer not co-operating*

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

Contacts

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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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