

Press Release Pahwa International (PI)

3 August, 2017



Rating Update

Total Bank Facilities Rated*	Rs. 39.00 Cr. #
Long Term Rating	SMERA BB- Issuer not co-operating*
Long Term Rating	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 BB minus**) and short term rating of '**SMERA A4**' (read as '**SMERA A four**') on the Rs. 39.00 crore bank facilities of Pahwa International. 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>

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

Pahwa International (PI), incorporated in 1995 is engaged in the manufacture and export of leather garments such as leather jackets, blazers, trousers among others. The manufacturing facility is located at New Delhi. The firm exports its products to Spain, U.K, Germany among others.

For FY2014-15, PI reported PAT of Rs.2.95 crore on operating income of Rs.61.55 crore, compared to PAT of Rs.4.19 crore on operating income of Rs.72.50 crore for FY2013-14. The net worth stood at Rs.7.46 crore as on 31 March, 2015, as against Rs.8.61 crore a year earlier.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
17-Mar-2016	Packing Credit*	Long Term	INR 20	SMERA BB- / Stable
	FOBP	Long Term	INR 9	SMERA BB- / Stable
	FOBLC	Short Term	INR 10	SMERA A4
18-Dec-2015	Packing Credit	Long Term	INR 16	SMERA BB / Stable
	FOBP	Long Term	INR 6	SMERA BB / Stable
	FOBLC	Short Term	INR 20	SMERA A4+
19-Sep-2014	Packing Credit	Long Term	INR 16	SMERA BB / Stable
	FOBP	Long Term	INR 6	SMERA BB / Stable
	FOBLC	Short Term	INR 20	SMERA A4+

**Rs 3.00 crore bank facility of Packing Credit Limit is fully interchangeable with FOBP and FOUBP.*

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Packing Credit*	Not Applicable	Not Applicable	Not Applicable	20.00	SMERA BB- Issuer not co-operating*
FOBP	Not Applicable	Not Applicable	Not Applicable	9.00	SMERA BB- Issuer not co-operating*
FOBLC	Not Applicable	Not Applicable	Not Applicable	10.00	SMERA A4 Issuer not co-operating*

**Rs 3.00 crore bank facility of Packing Credit Limit is fully interchangeable with FOBP and FOUBP.*

**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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