

Press Release

JAYACHITRA GARMENTS

January 30, 2018



Rating Update

| | |
|-------------------------------------|---------------------------------------|
| Total Bank Facilities Rated* | Rs. 16.00 Cr. # |
| Long Term Rating | SMERA BB+ Issuer not co-operating* |
| Short 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 double B plus) and short term rating of '**SMERA A4+** (read as 'SMERA A four plus') on the Rs. 16.00 crore bank facilities of JAYACHITRA 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.smerra.in/criteria-default.htm>
- Manufacturing Entities - <https://www.smerra.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

JCG, a partnership firm established in 1990, is engaged in the manufacturing and export of men's wear, women's wear and kid's wear to retailers located in Canada and United Kingdom.

For FY2015-16 (provisional), JCG reported profit after tax (PAT) of Rs.1.59 crore on operating income of Rs.46.96 crore as against PAT of Rs.1.35 crore on operating income of Rs.41.53 crore in FY2014-15. The firm's tangible net worth stood at Rs.9.58 crore in FY2015-16 as against Rs.8.86 crore in the previous year.

Rating History (Upto last three years)

| Date | Name of Instrument / Facilities | Term | Amount (Rs. Cr.) | Ratings/Outlook |
|------------------|--------------------------------------|------------|------------------|------------------------------|
| 12-December-2016 | Packing Credit | Short term | 8.00 | SMERA A4+ (Assigned) |
| | Bill Discounting | Short term | 5.50 | SMERA A4+ (Assigned) |
| | Term Loan | Long term | 0.06 | SMERA BB+/Stable (Assigned) |
| | Term Loan | Long term | 0.65 | SMERA BB+/Stable (Assigned) |
| | Bank Guarantee | Short term | 0.20 | SMERA A4+ (Assigned) |
| | Proposed Working Capital Demand Loan | Short term | 1.59 | SMERA A4+ (Assigned) |

#Annexure - Details of instruments rated

| Name of the Facilities | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. Crore) | Ratings |
|------------------------|------------------|-------------|---------------|-------------------------------|---------------------------------------|
| Packing Credit | NA | NA | NA | 8.00 | SMERA A4+ Issuer not co-operating* |
| Bill Discounting | NA | NA | NA | 5.50 | SMERA A4+ Issuer not co-operating* |
| Term Loan I | NA | NA | NA | 0.06 | SMERA BB+ Issuer not co-operating* |
| Term Loan II | NA | NA | NA | 0.65 | SMERA BB+ Issuer not co-operating* |

| | | | | | |
|--------------------------------------|----|----|----|------|---------------------------------------|
| Bank Guarantee | NA | NA | NA | 0.20 | SMERA A4+ Issuer not co-operating* |
| Proposed Working Capital Demand Loan | NA | NA | NA | 1.59 | SMERA A4+ Issuer not co-operating* |

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

Contacts

| Analytical | Rating Desk |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|
| Vinayak Nayak Head – Ratings Operations Tel: 022-67141190 vinayak.nayak@smera.in | Varsha Bist Manager - Rating Desk Tel: 022-67141160 varsha.bist@smera.in |
| Vishal Choudhary Senior Analyst - Rating Operations Tel: 022-67141159 vishal.choudhary@smera.in | |

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.

Disclaimer: A SMERA rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. SMERA ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon.

SMERA is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. SMERA ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.smera.in) for the latest information on any instrument rated by SMERA.