

Press Release

BHAGWAT TEX

October 26, 2017

Rating Update



Total Bank Facilities Rated*	Rs. 5.66 Cr. #
Long Term Rating	SMERA B- 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 B-**' (read as **SMERA B minus**) on the Rs. 5.66 crore bank facilities of BHAGWAT TEX. This is an indicative rating.

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 required documents 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

Bhagwat Tex was established in 2015 by Mr. Lakshar Khunt and Mr. Mukesh Lukhi. The firm primarily manufactures and designs knitted fabric in Surat.

For FY2015-16 (Provisional), the firm reported profit after tax (PAT) of Rs.0.01 crore on operating income of Rs.0.43 crore. The net worth stood at Rs.2.29 crore as on March 31, 2016.

Rating history (last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
05-Aug-2016	Term Loan	Long Term	INR 0.83	SMERA B- / Stable
	Term Loan	Long Term	INR 3.58	SMERA B- / Stable
	Cash Credit	Long Term	INR 1.25	SMERA B- / Stable

#Annexure – Details of instruments rated

Name of the	Date of	Coupon	Maturity	Size of the Issue	Ratings
Facilities	Issuance	Rate	Date	(Rs. Cr.)	
Term loans	Not Applicable	Not Applicable	Not Applicable	0.83	SMERA B- Issuer not co-operating*
Term loans	Not Applicable	Not Applicable	Not Applicable	3.58	SMERA B- Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	1.25	SMERA B- Issuer not co-operating*

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

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ABOUT SMERA

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