

Press Release

Geena Garments (GG)

November 15, 2017



Rating Update

Total Bank Facilities Rated*	Rs. 27.00 Cr. #
Long Term Rating	SMERA BBB- 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 BBB-**' (**read as SMERA triple B minus**) on the Rs. 27.00 crore bank facilities of Geena Garments (GG). 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 and 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.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

Geena Garments, a proprietorship firm established in 1968 by Mr. A Loganathan, was converted into a partnership firm in 1991. The firm is engaged in the manufacturing and export of knitwear and readymade garments (RMG) to U.S.A, Spain and France. It is headed by partners Mr. A. Laganathan, Mr. L. Dinesh Kumar and Mr. Mohan Shankar.

About the Group

The Tamil Nadu-based Geena Group, incorporated in 1968, comprises three entities - Geena Garments (GG), Victus Dyeings (VD) and Print Tex India (PTI).

Victus Dyeings is a partnership firm established in 1993 by Mr. L. Mohan Shankar, Mr. L. Dinesh Kumar, Mr. A. Loganathan and Mr. L. Amudha. The firm exports RMGs to France, U.K and Europe and also undertakes dyeing and knitting projects on a job-work basis for Geena Garments and other RMG manufacturers.

Print Tex India, a partnership firm established in 1991 by Mr. A. Laganathan, Mr. L. Dinesh Kumar and Mr. Mohan Shankar, undertakes printing work on a job-work basis for Geena Garments, Victus Dyeing and other RMG manufacturers. Their registered office is located in Tirupur (Tamil Nadu).

For FY2014-15, the Geena Group reported profit after tax (PAT) of Rs.9.62 crore on operating income of Rs.243.05 crore, as compared with PAT of Rs.8.84 crore on operating income of Rs.190.64 crore in FY2013-14. The group's net worth stood at Rs.88.12 crore as on March 31, 2015, as compared with Rs.88.12 crore a year earlier. Further, the Geena Group achieved an operating income of around Rs.260.00 crore in FY2015-16.

Rating history (last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
24-August-2016	Term Loan	Long Term	2.14	SMERA BBB-/Stable (Assigned)
	Stand by Limit	Long Term	2.00	SMERA BBB-/Stable (Assigned)
	Export Packing Credit/Packing Credit (EPC/PCFC)*	Long Term	13.00	SMERA BBB-/Stable (Assigned)
	Foreign Documentary Bills Negotiation (FDBN)*	Long Term	5.00	SMERA BBB-/Stable (Assigned)
	Long Term Proposed	Long Term	4.86	SMERA BBB-/Stable (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Term Loan	Not Applicable	Not Applicable	Not Applicable	2.14	SMERA BBB-/Stable Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.00	SMERA BBB-/Stable Issuer not co-operating*
Export Packing Credit/Packing Credit (EPC/PCFC)*	Not Applicable	Not Applicable	Not Applicable	13.00	SMERA BBB-/Stable Issuer not co-operating*
Foreign Documentary Bills Negotiation (FDBN)*	Not Applicable	Not Applicable	Not Applicable	5.00	SMERA BBB-/Stable Issuer not co-operating*
Long Term Proposed	Not Applicable	Not Applicable	Not Applicable	4.86	SMERA BBB-/Stable 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
Leena Gupta Analyst - Rating Operations Tel: 022-67141172 leena.gupta@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.