

## Press Release

### Navagiri Apparel (Navagiri)

16 January, 2018

#### Rating Update



<b>Total Bank Facilities Rated*</b>	Rs.11.50 Cr
<b>Long Term Rating (Indicative)</b>	SMERA BB Issuer not co-operating*
<b>Short Term Rating (Indicative)</b>	SMERA A4+ Issuer not co-operating*

#Refer Annexure for details

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

SMERA has reviewed the long term rating of '**SMERA BB**' (read as **SMERA double B**) and short term rating of **SMERA A4+** (Read as **SMERA A Four plus**) on the Rs.11.50 crore bank facilities of Navagiri Apparel. 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

- Manufacturing Entities: <https://www.smera.in/criteria-manufacturing.htm>
- Default Recognition: <https://www.smera.in/criteria-default.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:

Navagiri Apparel, (the erstwhile Hardikaa Exports), was established in 2012 by Mr. A.R. Shanmugam and Ms. S. Kalarani. The firm manufactures garments for women and children.

For FY2014-15, the firm reported profit after tax (PAT) of Rs.1.59 crore on operating income of Rs.57.55 crore, as compared with net profit of Rs.2.17 crore on operating income of Rs.46.91 crore in FY2015-14.

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**Rating History for the last three years:**

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
1-Sept-2016	Term Loan	Long Term	1.50	SMERA BB/Stable (Assigned)
	Packing Credit	Short Term	5.00 <sup>^</sup>	SMERA A4+ (Assigned)
	Foreign Documentary Bill Purchase	Short Term	5.00 <sup>^^</sup>	SMERA A4+ (Assigned)

<sup>^</sup> Fully interchangeable with Pre-Shipment Credit in Foreign Currency

<sup>^^</sup> Fully interchangeable with Foreign Usance Discount Bill Purchase in INR or Foreign Currency

**#Annexure – Details of instruments rated:**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings
Term Loan	NA	NA	NA	1.50	SMERA BB Issuer not co-operating*
Packing Credit	NA	NA	NA	5.00 <sup>^</sup>	SMERA A4+ Issuer not co-operating*
Foreign Documentary Bill Purchase	NA	NA	NA	5.00 <sup>^^</sup>	SMERA A4+ 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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