

Press Release

ESS PEE KNIT WEAR

February 07, 2018



Rating Update

Total Bank Facilities Rated*	Rs. 17.50 Cr. #
Long Term Rating	SMERA BBB- Issuer not co-operating*
Short Term Rating	SMERA A3 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 BBB minus**) and short term rating of '**SMERA A3**' (**read as 'SMERA A three'**) on the Rs. 17.50 crore bank facilities of ESS PEE KNIT WEAR. 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>
- Financial Ratios And Adjustments - <https://www.smera.in/criteria-fin-ratios.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 endeavored 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

The Tripura based partnership firm was established in 1992 by Mr. N. Palanisamy, Mr. T.S. Swaminathan and Mr. S. Mahesh Kumar. The firm manufactures and export hosiery garments (fashion apparel) for men women and kids.

	Unit	FY16 (Actual)	FY15 (Actual)	FY14 (Actual)
Operating Income	Rs. Cr.	110.39	109.99	89.87
EBITDA	Rs. Cr.	5.96	5.85	7.08
PAT	Rs. Cr.	3.42	3.82	3.37
EBITDA Margin (%)	(%)	5.40	5.32	7.88
PAT Margin (%)	(%)	3.10	3.47	3.75
ROCE (%)	(%)	27.68	29.25	73.03
Total Debt/Tangible Net Worth	Times	0.93	1.07	1.35
PBDIT/Interest	Times	3.63	4.57	2.20
Total Debt/PBDIT	Times	1.67	1.76	1.54
Gross Current Assets (Days)	Days	90	89	96

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
04-Jan-2017	Standby Line of Credit	Long Term	INR 1.5	SMERA BBB- / Stable
	Post Shipment Credit	Short Term	INR 2.5	SMERA A3
	Packing Credit	Short Term	INR 6.5	SMERA A3
	Bank Guarantee	Short Term	INR 0.05	SMERA A3
	Proposed Long Term Loan	Long Term	INR 6.95	SMERA BBB- / Stable

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
PC/PCFC	Not Applicable	Not Applicable	Not Applicable	6.50	SMERA A3 Issuer not co-operating*
FBN/FBP/FBD/PSFC/FBE	Not Applicable	Not Applicable	Not Applicable	2.50	SMERA A3 Issuer not co-operating*
Stand by Line of Credit	Not Applicable	Not Applicable	Not Applicable	1.50	SMERA BBB- Issuer not co-operating*
Bank guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	0.05	SMERA A3 Issuer not co-operating*
Proposed	Not Applicable	Not Applicable	Not Applicable	6.95	SMERA BBB- 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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