

Press Release

Nash Fashion India Limited

June 22, 2018

Rating Update



Total Bank Facilities Rated*	Rs.44.80 Cr. #
Long Term Rating	ACUITE B- Issuer not co-operating*
Short Term Rating	ACUITE A4 Issuer not co-operating*

Refer Annexure for details

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

Rating Rationale

Acuité has reviewed the long term rating to '**ACUITE B-**' (read as **ACUITE B minus**) and short term rating of '**ACUITE A4**' (read as **ACUITE A4**) to the Rs.44.80 crore bank facilities of Nash Fashion India Limited (NFIL). This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower: Acuité 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 Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Entities In Manufacturing Sector - <https://www.acuite.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). Acuité endeavoured to gather information about the entity/industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity:

The Rajasthan based, Nash Fashion India Limited (NFIL), incorporated in 1998 by Mr. Jai Singh Sethia for undertaking manufacturing of ladies readymade garments, grey cotton fabric and finished cotton fabrics. The company generates around 90 percent of revenue by exporting ladies readymade garments to Spain, France, Mexico, Argentina and United Kingdom to name a few. NFIL has annual manufacturing capacity of around 3 million pieces with an average utilisation of 70 percent. The company's manufacturing facilities are based at Jaipur.

Any other information:

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
22-Mar-2017	Cash Credit	Long Term	10.00	ACUITE B-/Stable (Assigned)
	PC/PCFC	Short Term	5.50	ACUITE A4 (Assigned)
	Term Loan	Long Term	20.00	ACUITE B-/Stable (Assigned)
	Stand By Line of Credit	Long Term	3.00	ACUITE B-/Stable (Assigned)
	FBN/FBP/FBD/PSFC/FBE	Short Term	5.50	ACUITE A4 (Assigned)
	Proposed	Long Term	0.30	ACUITE B-/Stable (Assigned)
	Bank guarantee / Letter of guarantee	Short Term	0.50	ACUITE 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/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE B- (Indicative)
PC/PCFC	Not Applicable	Not Applicable	Not Applicable	5.50	ACUITE A4 (Indicative)
Term Loan	Not Applicable	Not Applicable	Not Applicable	20.00	ACUITE B- (Indicative)
Stand By Line of Credit	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE B- (Indicative)
FBN/FBP/FBD/PSFC /FBE	Not Applicable	Not Applicable	Not Applicable	5.50	ACUITE A4 (Indicative)
Proposed	Not Applicable	Not Applicable	Not Applicable	0.30	ACUITE B- (Indicative)
Bank guarantee /Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	0.50	ACUITE B- (Indicative)

Contacts

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (*Erstwhile SMERA Ratings Limited*) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

Disclaimer: *An Acuité 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. Acuité 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, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité 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. Acuité 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.acuite.in) for the latest information on any instrument rated by Acuité.*