

## Press Release

### Shreeram & Sons

January 29, 2020



### Rating Update

<b>Total Bank Facilities Rated</b>	Rs. 20.00 Cr. #
<b>Short Term Rating</b>	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 short term rating to '**ACUITE A4+**' (**read as ACUITE A four plus**) on the Rs. 20.00 crore bank facilities of Shreeram & Sons. This rating is now an indicative rating and is based on best available information.

Established in 2013, Shreeram & sons (SAS) is a Bangalore based partnership firm is engaged in manufacturing & exporting readymade garments. The firm is established by Mr. Bhagwat Sharad Kumar and Mr. V. Ramesh. SAS primarily is catering to the markets of USA, Italy and South Korea for its overseas clients and domestic clients in the form of Mirza International Limited (Redtape brand). The firm is also exporting to reputed global brands like Micheal Kors USA, Shinsegae International Inc (South Korea). The factory is Worldwide Responsible Accredited Production (WRAP) certified.

**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/view-rating-criteria-52.htm>
- Manufacturing Entities- <https://www.acuite.in/view-rating-criteria-59.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 endeavored 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 - Key Financials

	Unit	FY19 (Actual)	FY18 (Actual)
Operating Income	Rs. Cr.	53.23	40.57
PAT	Rs. Cr.	1.01	0.90
PAT Margin	(%)	2.64	2.22
Total Debt/Tangible Net Worth	Times	2.46	4.86
PBDIT/Interest	Times	1.59	1.62

### Status of non-cooperation with previous CRA (if applicable)

None

### 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. Cr)	Ratings/Outlook
23-Nov-2018	Packing Credit	Short term	15.00	ACUITE A4+ (Reaffirmed)
	Proposed packing Credit	Short Term	2.00	ACUITE A4+ (Assigned)
	Letter of Credit	Short term	1.00	ACUITE A4+ (Reaffirmed)
	Proposal letter of Credit	Short Term	2.00	ACUITE A4+ (Assigned)
25-May-2018	Packing Credit	Short term	15.00	ACUITE A4+ (Reaffirmed)
	Letter of Credit	Short Term	1.00	ACUITE A4+ (Reaffirmed)
23-May-2017	Packing Credit	Short term	7.50	ACUITE A4+ (Assigned)
	Letter of Credit	Short Term	1.00	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
Packing Credit	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE A4+ Issuer not co-operating*
Proposed Packing Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4+ Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE A4+ Issuer not co-operating*
Proposed Letter of Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4+ Issuer not co-operating*

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

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**About Acuité Ratings & Research:**

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