

## Press Release

### Milton Industries Limited

May 14, 2019

### Rating Update



<b>Total Bank Facilities Rated*</b>	Rs. 21.50 Cr. #
<b>Long Term Rating</b>	ACUITE BB+ Issuer not co-operating*
<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.

Acuite has reviewed long-term rating of '**ACUITE BB+**' (read as **ACUITE double B plus**) and short term rating of '**ACUITE A4+**' (read as '**ACUITE A four plus**') on the Rs. 21.50 crore bank facilities of Milton Industries Limited (MIL). This rating is now an indicative rating and is based on best available information.

Based at Ahmedabad, MIL was incorporated in 1985 as an ISO 9001:2008 certified company engaged in manufacturing of Laminates, Artificial Leather Cloth and Glass Fibre Reinforced Epoxy (GFRE) Sheets in the state of Gujarat. MIL has manufacturing facilities located at Mehsana and Sabarkantha district of Gujarat. Initially, the company was engaged in manufacturing of laminates and further diversified into manufacturing and export of Artificial Leather cloth, GFRE Sheets, DGFRP, CCL and NAFTA. The products of the company are primarily used in real estate, and artificial leather and polymers in Indian railways and roadways. In addition, the company also has a High Pressure Hydraulic Press in which it manufactures 12 x 6 size of compact laminate which are mostly in demand in Europe, America, and Australia.

#### Non-cooperation by the issuer/borrower

Acuite 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 Acuite's policies.

#### Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.htm>
- Financial Ratios And Adjustments- <https://www.acuite.in/view-rating-criteria-40.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). Acuite endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuite 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	FY18 (Actual)	FY17 (Actual)	FY16 (Actual)
Operating Income	Rs. Cr.	37.95	43.21	41.94
EBITDA	Rs. Cr.	4.35	4.81	4.39
PAT	Rs. Cr.	1.30	0.95	0.39
EBITDA Margin	(%)	11.47	11.14	10.47
PAT Margin	(%)	3.42	2.19	0.93
ROCE (%)	(%)	8.19	9.69	18.30
Total Debt/Tangible Net Worth	Times	0.76	1.73	1.92
PBDIT/Interest	Times	2.13	2.13	2.07
Total Debt/PBDIT	Times	4.46	4.69	5.31
Gross Current Assets (Days)	Days	547	355	298

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

None

### Any other information

Acuite 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
05-Mar-2018	Cash Credit	Long Term	10.50	ACUITE BB+ / Stable (Assigned)
	Term Loan	Long Term	1.61	ACUITE BB+ / Stable (Assigned)
	Proposed Bank Facility	Long Term	0.64	ACUITE BB+ / Stable/A4+ (Assigned)
	Bank Guarantee	Short Term	8.75	ACUITE A4+ (Assigned)

### #Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.50	ACUITE BB+ Issuer not co-operating*
Term loans	Not Applicable	Not Applicable	Not Applicable	1.61	ACUITE BB+ Issuer not co-operating*
Bank guarantee	Not Applicable	Not Applicable	Not Applicable	8.75	ACUITE A4+ Issuer not co-operating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	0.64	ACUITE BB+/ACUITE A4+ Issuer not co-operating*

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

## 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.

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