

Press Release

TEXTRADE INTERNATIONAL LIMITED

June 17, 2019

Rating Update

Total Bank Facilities Rated*	Rs. 225.00 Cr. #
Long Term Rating	ACUITE D/C (Downgraded from ACUITE BBB-/Stable) Issuer not co-operating*
Short Term Rating	ACUITE D/A4 (Downgraded from ACUITE A3) Issuer not co-operating*

Refer Annexure for details

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

Acuité has downgraded the long-term rating to '**ACUITE D**' (**read as ACUITE D**) from '**ACUITE BBB-/Stable**' (**read as ACUITE triple B minus**) and short-term rating to '**ACUITE D**' (**read as ACUITE D**) from '**ACUITE A3**' (**read as ACUITE A three**) on the Rs. 200.30 crore bank facilities of Textrade International Limited (TIL). This rating is now an indicative rating and is based on best available information.

Also, Acuité has downgraded the long-term rating to '**ACUITE C**' (**read as ACUITE C**) from '**ACUITE BBB-/Stable**' (**read as ACUITE triple B minus**) and short-term rating to '**ACUITE A4**' (**read as ACUITE A four**) from '**ACUITE A3**' (**read as ACUITE A three**) on the Rs. 24.70 crore bank facilities of TIL. This rating is now an indicative rating and is based on best available information.

The downgrade is in view of delays in servicing the debt obligation.

Textrade International Limited (TIL), was incorporated in 2004 to take over the existing business of partnership firm which was established in 1984 by Mr. Bipin Doshi and Mr. Anish Doshi. The company is engaged in manufacturing of home textile products. The manufacturing unit is located in Surat (Gujarat). There are two more group companies apart from TIL viz. Textrade Inc. (WI) and Worldtex Manufacturing Private Limited (WMPL). TIL supplies mainly to USA and European market.

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>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.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 - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

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
03-May-2018	Pre-Shipment/ Post-Shipment	Long Term	43.80	ACUITE BBB-/Stable (Assigned)
	Pre-Shipment/ Post-Shipment	Long Term	25.80	ACUITE BBB-/Stable (Assigned)
	Pre-Shipment/ Post-Shipment	Long Term	29.00	ACUITE BBB-/Stable (Assigned)
	Pre-Shipment/ Post-Shipment	Long Term	24.00	ACUITE BBB-/Stable (Assigned)
	Pre-Shipment/ Post-Shipment	Long Term	14.50	ACUITE BBB-/Stable (Assigned)
	Proposed Pre-Shipment/ Post-Shipment	Long Term	12.90	ACUITE BBB-/Stable (Assigned)
	Proposed Bank Facility	Long Term	9.00	ACUITE BBB-/Stable (Assigned)
	Letter of Credit	Long Term	15.60	ACUITE A3 (Assigned)
	Letter of Credit	Long Term	18.00	ACUITE A3 (Assigned)
	Letter of Credit	Long Term	8.50	ACUITE A3 (Assigned)
	Letter of Credit	Long Term	3.60	ACUITE A3 (Assigned)
	Letter of Credit	Long Term	5.50	ACUITE A3 (Assigned)
	Letter of Credit	Long Term	12.00	ACUITE A3 (Assigned)
	Proposed Letter of Credit	Long Term	2.80	ACUITE A3 (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Pre-Shipment/ Post-Shipment	Not Applicable	Not Applicable	Not Applicable	43.80	ACUITE D (Downgraded from ACUITE BBB-/Stable) Issuer not co-operating*
Pre-Shipment/ Post-Shipment	Not Applicable	Not Applicable	Not Applicable	25.80	ACUITE D (Downgraded from ACUITE BBB-/Stable) Issuer not co-operating*
Pre-Shipment/ Post-Shipment	Not Applicable	Not Applicable	Not Applicable	29.00	ACUITE D (Downgraded from ACUITE BBB-/Stable) Issuer not co-operating*
Pre-Shipment/ Post-Shipment	Not Applicable	Not Applicable	Not Applicable	24.00	ACUITE D (Downgraded from ACUITE BBB-/Stable) Issuer not co-operating*

Pre-Shipment/ Post-Shipment	Not Applicable	Not Applicable	Not Applicable	14.50	ACUITE D (Downgraded from ACUITE BBB-/Stable) Issuer not co-operating*
Proposed Pre- Shipment/ Post-Shipment	Not Applicable	Not Applicable	Not Applicable	12.90	ACUITE C (Downgraded from ACUITE BBB-/Stable) Issuer not co-operating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	9.00	ACUITE C (Downgraded from ACUITE BBB-/Stable) Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	15.60	ACUITE D (Downgraded from ACUITE A3) Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	18.00	ACUITE D (Downgraded from ACUITE A3) Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	8.50	ACUITE D (Downgraded from ACUITE A3) Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	3.60	ACUITE D (Downgraded from ACUITE A3) Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	5.50	ACUITE D (Downgraded from ACUITE A3) Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	12.00	ACUITE D (Downgraded from ACUITE A3) Issuer not co-operating*
Proposed Letter of Credit	Not Applicable	Not Applicable	Not Applicable	2.80	ACUITE A4 (Downgraded from ACUITE A3) Issuer not co-operating*

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

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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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