

Press Release

M L K Exports Private Limited

October 25, 2019

Rating Update



Total Bank Facilities Rated*	Rs.10.00 Cr. #
Long Term Rating	ACUITE BB- (Withdrawn)
Short Term Rating	ACUITE A4+ (Withdrawn)

* Refer Annexure for details

Acuite has withdrawn the long-term rating of '**ACUITE BB-**' (read as **ACUITE double B minus**) and short-term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs.10.00 crore bank facilities of M L K EXPORTS PRIVATE LIMITED.

The rating is being withdrawn on account of request received from the company and no due certificate received from the banker. The rating withdrawal is in accordance with Acuite's policy on withdrawal of rating.

Lucknow based M L K Exports Private Limited (MEPL) was incorporated in 2005 by Mr. Sharad Kapoor and Mr. Shishir Kapoor and is engaged in the manufacturing and exports of garments. The company manufactures garments catering to kids, men & women. The company exports the manufactured garments to countries like Turkey, USA, Australia, Italy, Spain, France, Mauritius, U.K and Japan among others.

Analytical Approach:

Acuite has considered the standalone business and financial risk profiles of the MEPL to arrive at this rating.

About the Rated Entity - Key Financials

	Unit	FY19 (Actual)	FY18 (Actual)	FY17 (Actual)
Operating Income	Rs. Cr.	18.23	16.61	15.06
EBITDA	Rs. Cr.	2.31	1.11	1.31
PAT	Rs. Cr.	1.26	0.65	0.64
EBITDA Margin	(%)	12.65	6.68	8.69
PAT Margin	(%)	6.94	3.88	4.26
ROCE	(%)	16.95	9.27	11.00
Total Debt/Tangible Net Worth	Times	0.08	0.18	0.04
PBDIT/Interest	Times	4.49	12.06	10.19
Total Debt/PBDIT	Times	0.37	1.39	0.23
Gross Current Assets (Days)	Days	133	157	94

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

Not Applicable

Any other information

Not Applicable

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>
- Entities in Manufacturing sector- <https://www.acuite.in/view-rating-criteria-4.htm>

Note on complexity levels of the rated instrument

<https://www.acuite.in/criteria-complexity-levels.htm>

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
22-Aug-2018	Overdraft	Long Term	2.52	ACUITE BB-/ Stable (Assigned)
	PC/PCFC	Short Term	0.90	ACUITE A4+ (Assigned)
	Proposed Bank Facility	Long Term	6.58	ACUITE BB-/ Stable (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Overdraft	Not Applicable	Not Applicable	Not Applicable	2.52	ACUITE BB- (Withdrawn)
PC/PCFC	Not Applicable	Not Applicable	Not Applicable	0.90	ACUITE A4+ (Withdrawn)
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	6.58	ACUITE BB- (Withdrawn)

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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