

Press Release

Indigo Collections Private Limited (ICPL)

18 July, 2017



Rating Update

Total Bank Facilities Rated*	Rs.9.45 Cr
Long Term Rating (Indicative)	SMERA B Issuer not co-operating*
Short Term Rating (Indicative)	SMERA A4 Issuer not co-operating*

#Refer Annexure for details

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

SMERA has reviewed the long term rating of '**SMERA B**' (read as **SMERA B**) and short term rating of '**SMERA A4**' (read as **SMERA A four**) on the Rs.9.45 crore bank facilities of Indigo Collections Private Limited. This rating is now an indicative rating and is based on best available information.

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

Applicable Criteria

- Manufacturing Entities: <https://www.smera.in/criteria-manufacturing.htm>
- Default Recognition: <https://www.smera.in/criteria-default.htm>
- Financial Ratios and Adjustments: <https://www.smera.in/criteria-fin-ratios.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). SMERA endeavoured to gather information about the entity / industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity: ICPL, established in 2001, is a Gurgaon-based company promoted by Ms. Upma Chandra. ICPL is engaged in manufacturing and export of garments for women and children. The company caters to customers in USA, Europe and UAE. The company has interest bearing unsecured loans from promoters, friends and relatives worth Rs.5.60 crore in FY2014-15 that are subordinated to bank debt. SMERA has treated such unsecured loans as quasi-equity.

For FY2014-15, ICPL reported net losses of Rs.0.92 crore on operating income of Rs.29.71 crore, as compared with profit after tax (PAT) of Rs.0.11 crore on operating income of Rs.28.01 crore in the previous year. The company's net worth stood at Rs.7.58 crore as on March 31, 2015, as compared with Rs.8.85 crore a year earlier.

Rating History for the last three years:

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
12-May-16	Packing Credit	Long Term	6.00	SMERA B / Stable (Assigned)
	Packing Credit	Short Term	6.00	SMERA B (Withdrawn)
	Letter of Credit	Short Term	2.25	SMERA A4 (Assigned)
	Cash Credit	Short Term	1.20	SMERA A4 (Assigned)
16-Feb 2015	Packing Credit	Short Term	6.00	SMERA A4 (Assigned)
	Letter of Credit	Short Term	2.25	SMERA A4 (Assigned)
	Cash Credit	Short Term	1.20	SMERA 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
Packing Credit	NA	NA	NA	6.00	SMERA B Issuer not co-operating*
Letter of Credit	NA	NA	NA	2.25	SMERA A4 Issuer not co-operating*
Cash Credit	NA	NA	NA	1.2	SMERA A4 Issuer not co-operating*

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

Contacts:

Analytical	Rating Desk
Vinayak Nayak, Head – Ratings Operations, SMERA Bond Ratings Tel: 022-67141190 Email: vinayak.nayak@smera.in Kashish Shah, Rating Analyst, Tel: 022-67141152 Email: kashish.shah@smera.in	Varsha Bist Sr. Executive Tel: 022-67141160 Email: varsha.bist@smera.in

ABOUT SMERA

SMERA Ratings Limited is a joint initiative of SIDBI, Dun & Bradstreet Information Services India Private Limited (D&B) and leading public and private sector banks in India. SMERA is registered with SEBI as a Credit Rating Agency and accredited by Reserve Bank of India. For more details, please visit www.smera.in.

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