

October 16, 2014

Facilities	Amount (Rs. Crore)	Ratings
<b>Cash Credit</b>	<b>1.00</b>	<b>SMERA D</b> <b>(downgraded from SMERA B+/Stable)</b>
<b>Term Loan</b>	<b>11.25</b>	<b>SMERA D</b> <b>(downgraded from SMERA B+/Stable)</b>
<b>Letter of Guarantee</b>	<b>0.30</b>	<b>SMERA D</b> <b>(downgraded from SMERA A4 )</b>

SMERA has downgraded its ratings on the bank facilities of Basant Texfab Private Limited (Basant) to '**SMERA D** (read as **SMERA D**)', from 'SMERA B+/Stable/SMERA A4'. The downgrade primarily reflects delays in debt servicing by the company. The rating factors in risks related to the company's working capital-intensive operations in an intensely competitive segment of the textile industry.

### About the company

Basant (formerly known as Basant Share & Stock Broking Private Limited) is promoted by Mr. Pawankumar Jalan, Mr. Amit Bindal and Mr. Navin Saraogi. The company has setup a weaving unit in Ahmedabad (Gujarat) with 32 shuttleless weaving looms for manufacturing cotton fabric. Basant started commercial production in June 2013.

For FY2013-14 (refers to financial year, April 01 to March 31), Basant reported profit after tax of Rs.0.41 crore on net sales of Rs.33.94 crore, as compared with profit after tax of Rs.0.03 crore on net sales of Rs.4.87 crore in FY2012-13. Basant's net worth stood at Rs.3.46 crore as on March 31, 2014, as compared with Rs.1.75 crore a year earlier.

### Contact List

Media/Business Development	Analytical Contacts	Rating Desk
MR.Sanjay Kher Vice President,Sales - Corporate Tel : +91 22 6714 1193 Cell: +91 9819136541 Email : <a href="mailto:sanjay.kher@smera.in">sanjay.kher@smera.in</a> Web: <a href="http://www.smera.in">www.smera.in</a>	Mr. Ashutosh Satsangi Vice President – Operations Tel: +91-22-6714 1107 Email: <a href="mailto:ashutosh.satsangi@smera.in">ashutosh.satsangi@smera.in</a>	Tel: +91-22-6714 1170 Email: <a href="mailto:ratingdesk@smera.in">ratingdesk@smera.in</a>

**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](http://www.smera.in)) for the latest information on any instrument rated by SMERA.