

MG Tex Fab Private Limited

September 20, 2022

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Short Term Bank Facilities	0.16	CARE A4; ISSUER NOT COOPERATING* (A Four; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Reaffirmed and Placed on Notice on Withdrawal with Non-Cooperation for 90 days
Long Term Bank Facilities	-	-	Withdrawn
Total Bank Facilities	0.16 (Rs. Sixteen Lakhs Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE has withdrawn the outstanding ratings of CARE B-; Stable' Issuer not cooperating (Single B Minus; Outlook: Stable; Issuer not cooperating) assigned to long term the bank facilities i.e. Term Loans and Cash Credit facilities of MG Tex Fab Private Limited (MTFPL) with immediate effect, as the company has surrendered the aforementioned bank facilities rated by us and there is no amount outstanding under the facility as on date.

CARE Ratings Limited has reaffirmed and placed the outstanding rating of 'CARE A4; Issuer Not Co-Operating' [A Four; Issuer Not Co-Operating] assigned to Non-Fund Based facilities i.e. Bank Guarantee of MTFPL on 'Notice of Withdrawal' with immediate effect. The rating would continue to remain on 'Notice of Withdrawal' for a period of 90 days, after which it would stand withdrawn. The above action has been taken at the request of MTFPL and lender's confirmation.

Analytical approach: Not Applicable

Applicable Criteria

[CARE's withdrawal policy](#)

About the Company

Incorporated in 2007, MG Tex Fab Private Limited (MTFPL) is engaged in the manufacturing of grey fabrics (viz French crepe, velvet, raw silk, etc.) from cotton and polyester yarn. MTFPL operates from its sole manufacturing facilities located at Surat (Gujarat) with total 92waterjet looms with an installed capacity of 120 lakh meters per annum as on March 31, 2017. Although, MTFPL was incorporated in 2007, the production commenced from October 2011. The key raw material i.e. cottons and polyester yarn is sourced entirely from domestic market (mainly Surat) and the revenues are also entirely earned from the domestic market (mainly from Gujarat, Rajasthan and Maharashtra).

Brief Financials (Rs. crore)	FY20(A)	FY21(A)	FY22(Prov.)	Q1FY23 (Prov.)
Total operating income	13.17	0.89	NA	NA
PBILDT	1.55	0.44	NA	NA
PAT	-0.05	-0.62	NA	NA
Overall gearing (times)	0.55	0.00	NA	NA
Interest coverage (times)	3.52	0.00	NA	NA

A: Audited; Prov.: Provisional; NA: Not Available

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument/facility: Annexure-3

Complexity level of various instruments rated for this company: Annexure-4

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Term Loan		-	-	-	0.00	Withdrawn
Fund-based - LT-Cash Credit		-	-	-	0.00	Withdrawn
Non-fund-based - ST-BG/LC		-	-	-	0.16	CARE A4; ISSUER NOT COOPERATING*^
Fund-based - LT-Term Loan		-	-	-	0.00	Withdrawn

*Issuer did not cooperate; Based on best available information

^ Rating continues to remain under ISSUER NOT COOPERATING category and Placed on Notice on Withdrawal with Non-Cooperation for 90 days

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	-	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (09-Aug-22)	1)CARE B; Stable; ISSUER NOT COOPERATING* (02-Jun-21)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (20-May-20)	-
2	Fund-based - LT-Cash Credit	LT	-	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (09-Aug-22)	1)CARE B; Stable; ISSUER NOT COOPERATING* (02-Jun-21)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (20-May-20)	-
3	Non-fund-based - ST-BG/LC	ST	0.16	CARE A4; ISSUER NOT COOPERATING*^	1)CARE A4; ISSUER NOT COOPERATING* (09-Aug-22)	1)CARE A4; ISSUER NOT COOPERATING* (02-Jun-21)	1)CARE A4; ISSUER NOT COOPERATING* (20-May-20)	-
4	Fund-based - LT-Term Loan	LT	-	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (09-Aug-22)	1)CARE B; Stable; ISSUER NOT COOPERATING* (02-Jun-21)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (20-May-20)	-

*Issuer did not cooperate; Based on best available information

^ Rating continues to remain under ISSUER NOT COOPERATING category and Placed on Notice on Withdrawal with Non-Cooperation for 90 days

Annexure 3: Detailed explanation of the covenants of the rated instruments/facilities: Not Applicable**Annexure 4: Complexity level of various instruments rated for this company:**

Sr. No.	Name of Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - ST-BG/LC	Simple

Annexure 5: Bank Lender Details for this Company

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instrument: CARE Ratings Ltd. has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About CARE Ratings Limited:

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