

## Thangavel Fabrics Private Limited

April 26, 2024

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	15.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	17.30	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1

\*Issuer did not cooperate; based on best available information.

### Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated February 01, 2023, placed the rating(s) of Thangavel Fabrics Private Limited (TFPL) under the 'issuer non-cooperating' category as TFPL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. TFPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated December 18, 2023, December 28, 2023, January 07, 2024.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

**Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).**

**Analytical approach:** Standalone

**Outlook:** Not Applicable

### Detailed description of the key rating drivers:

Please refer to PR dated [February 01, 2023](#)

### Applicable criteria

[CARE Ratings' criteria on information adequacy risk and issuer non-cooperation](#)  
[Policy on default recognition](#)

### About the company

Thangavel Fabrics Private Limited (TFPL) (erstwhile Thangavelu Fabrics Private Limited), is an Erode based fabric manufacturer, established in January 2005, by merging four proprietorship concerns promoted by Mr Thankavel. These proprietorship concerns were engaged in manufacture of fabric since 1975. Currently, the company has three manufacturing units in Erode, Tamil Nadu with a total weaving capacity of 81 auto looms (approximately 25,000 meters per day) as on March 22, 2017. TFPL is a deemed exporter for brands like GAP, HNM, Lewi's, MNS, Next, Target, Marks & Spencers, Gloria Jeans and C&A. The promoters, family and friends collectively hold 100% shareholding in the company.

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

Brief Financials (Rs. crore)	March 31, 2019 (A)	March 31, 2020 (A)	March 31, 2021 (A)	March 31, 2022 (A)	March 31, 2023 (A)
Total operating income	69.07	71.00	44.37	51.64	30.16
PBILDT	5.94	6.43	5.68	4.99	4.42
PAT	0.89	0.95	0.58	0.97	0.39
Overall gearing (times)	2.34	1.56	1.59	1.45	1.27
Interest coverage (times)	1.53	1.74	1.55	1.64	1.51

A: Audited UA: Unaudited; Note: 'the above results are latest financial results available'

**Status of non-cooperation with previous CRA:** Acuite (SMERA) has moved the rating assigned to the bank facilities of TFPL into Issuer Not Cooperating category vide press release dated May 05, 2023 on account of its inability to carry out a review in the absence of the requisite information from the company.

**Any other information:** Not Applicable

**Rating history for last three years:** Please refer Annexure-2

**Covenants of rated instrument / facility:** Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

**Complexity level of various instruments rated:** Annexure-4

**Lender details:** Annexure-5

#### Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	15.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - ST-Bill Discounting/ Bills Purchasing		-	-	-	8.30	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-ILC/FLC		-	-	-	9.00	CARE D; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; Based on best available information

**Annexure-2: Rating history for the last three years**

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Cash Credit	LT	15.00	CARE D; ISSUER NOT COOPERATING *	-	-	1)CARE D; ISSUER NOT COOPERATING * (01-Feb-23)	1)CARE D; ISSUER NOT COOPERATING * (24-Nov-21)
2	Fund-based - ST-Bill Discounting/ Bills Purchasing	ST	8.30	CARE D; ISSUER NOT COOPERATING *	-	-	1)CARE D; ISSUER NOT COOPERATING * (01-Feb-23)	1)CARE D; ISSUER NOT COOPERATING * (24-Nov-21)
3	Non-fund-based - ST-ILC/FLC	ST	9.00	CARE D; ISSUER NOT COOPERATING *	-	-	1)CARE D; ISSUER NOT COOPERATING * (01-Feb-23)	1)CARE D; ISSUER NOT COOPERATING * (24-Nov-21)

\*Issuer did not cooperate; based on best available information.

LT: Long term; ST: Short term

**Annexure-3: Detailed explanation of covenants of the rated instruments/facilities:** Not Applicable

**Annexure-4: Complexity level of the various instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - ST-Bill Discounting/ Bills Purchasing	Simple
3	Non-fund-based - ST-ILC/FLC	Simple

**Annexure-5: Lender details**

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

**Note on the complexity levels of the rated instruments:** CARE Ratings 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](mailto:care@careedge.in) for any clarifications.

## Contact us

<b>Media Contact</b>  Mradul Mishra Director <b>CARE Ratings Limited</b> Phone: +91-22-6754 3596 E-mail: <a href="mailto:mradul.mishra@careedge.in">mradul.mishra@careedge.in</a>  <b>Relationship Contact</b>  Ankur Sachdeva Senior Director <b>CARE Ratings Limited</b> Phone: 91 22 6754 3444 E-mail: <a href="mailto:Ankur.sachdeva@careedge.in">Ankur.sachdeva@careedge.in</a>	<b>Analytical Contacts</b>  Shachee Nakul Vyas Assistant Director <b>CARE Ratings Limited</b> Phone: 079-40265665 E-mail: <a href="mailto:shachee.tripathi@careedge.in">shachee.tripathi@careedge.in</a>  Aniket Shringarpure Analyst <b>CARE Ratings Limited</b> Phone: +91-79-40265659 E-mail: <a href="mailto:aniket.shringarpure@careedge.in">aniket.shringarpure@careedge.in</a>  Pratvi Lathigara Associate Analyst <b>CARE Ratings Limited</b> E-mail: <a href="mailto:Pratvi.Lathigara@careedge.in">Pratvi.Lathigara@careedge.in</a>
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**About us:**

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