

Majestic Exports

May 21, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	4.48	CARE B; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B+; Stable;
Long Term / Short Term Bank Facilities	16.00	CARE B; Stable / CARE A4; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B+; Stable / CARE A4;

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 March 08, 2023, placed the rating(s) of Majestic Exports (ME) under the 'issuer non-cooperating' category as ME 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. ME continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated January 22, 2024, February 01, 2024, February 11, 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).

The ratings assigned to the bank facilities of ME have been revised on account of non-availability of requisite information.

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers:

Please refer to PR dated [March 08, 2023](#)

Applicable criteria

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

[Policy on default recognition](#)

[Criteria on Assigning 'Outlook' or 'Rating Watch' to Credit Ratings](#)

About the firm

Majestic Exports (ME) is a partnership firm established on November 12, 1987 by Mrs. K. Angathal, Mr. K. Kandasamy, Mr. K. Navaneethakrishnan and Mr. K. Shiva Shanmugha Sundaram. The firm is a part of Majestic Group. The firm is engaged in trading and manufacturing of readymade garments like t-shirts and nightwear, for men and women.

The group has an installed capacity of 75 lakh pieces per annum, 10 knitting machines, 6 embroidery machines, a washing plant and a solar power plant of 210 KW capacity supported by additional facilities such as embroidery, printing, and washing at their manufacturing facilities located in Tirupur (Tamil Nadu).

Brief Financials (Rs. crore)	March 31, 2017 (A)	March 31, 2018 (A)
Total operating income	103.96	141.22
PBILDT	15.57	21.15
PAT	8.71	12.23
Overall gearing (times)	0.27	0.21
Interest coverage (times)	15.02	20.26

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

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

Status of non-cooperation with previous CRA: India Ratings has continued the rating assigned to the bank facilities of ME into ISSUER NOT COOPERATING category vide press release dated September 12, 2023 on account of its inability to carry out a review in the absence of requisite information from the firm.

Brickwork has continued the rating assigned to the bank facilities of ME into ISSUER NOT COOPERATING category vide press release dated February 05, 2024 on account of its inability to carry out a review in the absence of requisite information from the firm.

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-Term Loan		-	-	March 2023	2.34	CARE B; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	March 2023	2.14	CARE B; Stable; ISSUER NOT COOPERATING*
Fund-based - LT/ ST-CC/PC/Bill Discounting		-	-	-	16.00	CARE B; Stable / CARE A4; 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/ST-CC/PC/Bill Discounting	LT/ST	16.00	CARE B; Stable / CARE A4; ISSUER NOT COOPERATING*	-	-	1)CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING* (08-Mar-23)	1)CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING* (06-Jan-22)
2	Fund-based - LT-Term Loan	LT	2.34	CARE B; Stable; ISSUER NOT COOPERATING*	-	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (08-Mar-23)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (06-Jan-22)
3	Fund-based - LT-Term Loan	LT	2.14	CARE B; Stable; ISSUER NOT COOPERATING*	-	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (08-Mar-23)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (06-Jan-22)

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

LT: Long term; LT/ST: Long term/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-Term Loan	Simple
2	Fund-based - LT/ ST-CC/PC/Bill Discounting	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 for any clarifications.

Contact us

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About us:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

Disclaimer:

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