

## Twinkle Fashions

May 16, 2024

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	5.50	CARE B-; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	2.20	CARE A4; 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 March 02, 2023, placed the rating(s) of Twinkle Fashions (TF) under the 'issuer non-cooperating' category as TF 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. TF continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated January 16, 2024, January 26, 2024, February 05, 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:** Stable

### Detailed description of the key rating drivers:

Please refer to PR dated [March 02, 2023](#)

### Applicable criteria

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

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

### About the firm

Twinkle Fashions (TF) was established as a proprietorship firm in 1995 by Mr. K Chidambaram in Tirupur, Tamil Nadu. The firm is mainly engaged in manufacturing of readymade garments. The firm derives revenue from local (95%) and export sales (5%) such as sweat shirts, track pants, kids wear and women's wear. Twinkle fashions has an installed capacity of 300 seaters to manufacture one lakh pieces/month. On receipt of orders TF purchases the raw material such as yarn mainly from Bhuvanawari Tex, Sri Kannapiran Mills Limited, Sulochana Cotton Spinning Mills Private Limited among others and it outsources for dyeing, knitting, bio wash. The firm collects the processed fabric for further cutting, threading, stitching and packing.

Brief Financials (₹ crore)	March 31, 2017 (A)	March 31, 2018 (A)
Total operating income	21.11	22.59
PBILDT	1.46	1.97
PAT	0.28	0.10
Overall gearing (times)	4.18	5.33
Interest coverage (times)	1.35	1.29

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

<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

**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:** 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		-	-	-	5.50	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - ST-Bill Discounting/ Bills Purchasing		-	-	-	0.70	CARE A4; ISSUER NOT COOPERATING*
Fund-based - ST-FBN / FBP		-	-	-	0.75	CARE A4; ISSUER NOT COOPERATING*
Fund-based - ST-Packing Credit in Foreign Currency		-	-	-	0.75	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-Cash Credit	LT	5.50	CARE B-; Stable; ISSUER NOT COOPERATING *	-	-	1)CARE B-; Stable; ISSUER NOT COOPERATING * (02-Mar-23)	1)CARE B-; Stable; ISSUER NOT COOPERATING * (05-Jan-22)
2	Fund-based - ST-Packing Credit in Foreign Currency	ST	0.75	CARE A4; ISSUER NOT COOPERATING *	-	-	1)CARE A4; ISSUER NOT COOPERATING * (02-Mar-23)	1)CARE A4; ISSUER NOT COOPERATING * (05-Jan-22)
3	Fund-based - ST-FBN / FBP	ST	0.75	CARE A4; ISSUER NOT COOPERATING *	-	-	1)CARE A4; ISSUER NOT COOPERATING * (02-Mar-23)	1)CARE A4; ISSUER NOT COOPERATING * (05-Jan-22)

4	Fund-based - ST-Bill Discounting/ Bills Purchasing	ST	0.70	CARE A4; ISSUER NOT COOPERATING *	-	-	1)CARE A4; ISSUER NOT COOPERATING * (02-Mar-23)	1)CARE A4; ISSUER NOT COOPERATING * (05-Jan-22)
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\*Issuer did not cooperate; Based on best available information

LT: Long term; ST: Short term;

**Annexure-3: Detailed explanation of the 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	Fund-based - ST-FBN / FBP	Simple
4	Fund-based - ST-Packing Credit in Foreign Currency	Simple

**Annexure-5: Lender details**

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

**Note on complexity levels of the rated instrument:** 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.

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**About us:**

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