

## Malar Textiles

June 07, 2024

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	8.40	CARE B-; Stable; 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 April 26, 2023, placed the rating(s) of Malar Textiles (MT) under the 'issuer non-cooperating' category as MT 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. MT continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated March 11, 2024, March 21, 2024, March 31, 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 [April 26, 2023](#)

### Applicable criteria

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

[Policy on Default Recognition](#)

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

### About the Firm

Malar Textiles (MT) was incorporated in 1997 by Mr. Kalichamy and Mr. Viswanathamurthy in Coimbatore, Tamil Nadu. The firm is engaged in manufacturing of grey fabrics which are used for garments and industrial uses.

Brief Financials (Rs. crore)	March 31, 2017 (A)	March 31, 2018 (A)
Total operating income	23.75	34.77
PBILDT	0.92	1.81
PAT	0.03	0.07
Overall gearing (times)	2.95	2.94
Interest coverage (times)	1.31	1.70

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

**Status of non-cooperation with previous CRA:** Brickworks has continued the ratings assigned to the bank facilities of MT to the 'issuer not-cooperating' category vide press release dated February 05, 2024 on account of its inability to carryout review in the absence of requisite information from the firm.

CRISIL has continued the ratings assigned to the bank facilities of MT to the 'issuer not-cooperating' category vide press release dated December 21, 2023 on account of its inability to carryout review in the absence of requisite information from the firm.

Acuite (SMERA) has continued the ratings assigned to the bank facilities of MT to the 'issuer not-cooperating' category vide press release dated January 24, 2024 on account of its inability to carryout review in the absence of requisite information from the firm.

**Any other information:** Not Applicable

<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

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

**Covenants of the rated instruments/facilities:** Detailed explanation of the 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		-	-	-	6.00	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	March 2021	2.40	CARE B-; Stable; 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	6.00	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (26-Apr-23)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (19-Apr-22)	-
2	Fund-based - LT-Term Loan	LT	2.40	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (26-Apr-23)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (19-Apr-22)	-

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

LT: Long 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 - LT-Term Loan	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.

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### About us:

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### Disclaimer:

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