

## Aswathi Exports

July 31, 2024

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	1.00	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	7.50	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 June 13, 2023, placed the rating(s) of Aswathi Exports (AE) under the 'issuer non-cooperating' category as AE had failed to provide information for monitoring of the rating. AE continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated April 28, 2024, May 08, 2024, May 18, 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 rating assigned to the bank facilities of AE 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 [June 13, 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

Aswathi Exports (AE) was established as a partnership concern by Mr. Chandrasekaran and Mr. N.K. Chinnaswamy in 1997. The firm is engaged in sewing garments for infants, kids and women. The installed capacity of AE stood at Approx. 2200 pieces per day as of January 2020. The firm gets the yarn processed, knitted, dyed and printed from local suppliers. AE imports accessories like buttons, zips etc. from suppliers located in China and Hongkong. On procuring the fully processed fabric and accessories, the firm sews these processed fabric and accessories into garments before storing as finished goods. The firm exports 95% of the finished garments to customers located in the United States of America (USA) and United Kingdom (UK) and Australia through agents. The firm generates remaining revenue from selling finished garments to customers based at Tamil Nadu. AE has its sewing units located at Tirupur and Coimbatore, Tamil Nadu.

<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 (₹ crore)	March 31, 2018 (A)	March 31, 2019 (A)
Total operating income	17.97	20.84
PBILDT	1.70	1.66
PAT	0.57	0.39
Overall gearing (times)	2.05	2.15
Interest coverage (times)	3.25	2.01

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

**Status of non-cooperation with previous CRA:** CRISIL has continued the rating assigned to the bank facilities of AE into Issuer Not Cooperating category vide press release dated January 15, 2024 on account of its inability to carry out a review in the absence of the 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-Cash Credit		-	-	-	1.00	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT/ ST-Packing Credit in Foreign Currency		-	-	-	2.50	CARE B-; Stable / CARE A4; ISSUER NOT COOPERATING*
Fund-based - LT/ ST-Packing Credit in Indian rupee		-	-	-	5.00	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-Packing Credit in Indian rupee	LT/ST	5.00	CARE B-; Stable / CARE A4; ISSUER NOT COOPERATING *	-	1)CARE B; Stable / CARE A4; ISSUER NOT COOPERATING * (13-Jun-23)	1)CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING * (27-May-22)	-
2	Fund-based - LT/ST-Packing Credit in Foreign Currency	LT/ST	2.50	CARE B-; Stable / CARE A4; ISSUER NOT COOPERATING *	-	1)CARE B; Stable / CARE A4; ISSUER NOT COOPERATING * (13-Jun-23)	1)CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING * (27-May-22)	-
3	Fund-based - LT-Cash Credit	LT	1.00	CARE B-; Stable; ISSUER NOT COOPERATING *	-	1)CARE B; Stable; ISSUER NOT COOPERATING * (13-Jun-23)	1)CARE B+; Stable; ISSUER NOT COOPERATING * (27-May-22)	-

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

LT: Long term; LT/ST: Long term/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 - LT/ ST-Packing Credit in Foreign Currency	Simple
3	Fund-based - LT/ ST-Packing Credit in Indian rupee	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.

## Contact us

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**About us:**

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