

## Microtex Fashion Industries

September 21, 2022

### Ratings

Facilities / Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	7.23	<b>CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)</b>	<b>Rating continues to remain under ISSUER NOT COOPERATING category</b>
<b>Total Facilities</b>	<b>7.23 (Rs. Seven Crore and Twenty-Three Lakhs Only)</b>		

Details of instruments/facilities in Annexure-1

#### Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated August 17, 2021, placed the rating(s) of Microtex Fashion Industries (MFI) under the 'issuer non-cooperating' category as MFI 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. MFI continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated July 03, 2022, July 13, 2022, July 23, 2022.

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).**

#### Detailed description of the key rating drivers

Please refer to PR dated [August 17, 2021](#)

**Analytical approach:** Standalone

#### Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

#### About the Firm

Valsad-based (Gujarat) MTFI was established in the year 2015 by the proprietor Ms Beena Jayesh Gor, with an objective of manufacturing and trading of linen fabric from flax yarn, which finds application in the textile industry. MTFI commenced trading operations in linen fabric from April 2015 while the manufacturing operations commenced from September 2015 from its sole manufacturing facility located in Valsad (Gujarat) with 48 rapier looms having an installed capacity of about 1.75 lakh metres of linen fabric per month. MTFI procures flax yarn domestically and sells the finished product to retailers and wholesalers located in various cities of India like Ludhiana, Hyderabad, Kanpur etc.

Brief Financials (Rs. crore)	FY20 (A)	FY21 (A)	FY22 (A)	Q1FY23 (Prov.)
Total operating income	NA	NA	NA	NA
PBILD	NA	NA	NA	NA
PAT	NA	NA	NA	NA
Overall gearing (times)	NA	NA	NA	NA
Interest coverage (times)	NA	NA	NA	NA

A: Audited; Prov.: Provisional; NA: Not Available

**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:** Annexure-3

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

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

**Complexity level of various instruments rated for this firm: Annexure-4**
**Annexure-1: Details of Instruments/Facilities**

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Term Loan		-	-	November, 2021	2.23	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit		-	-	-	5.00	CARE D; ISSUER NOT COOPERATING*

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

**Annexure-2: Rating History of last three years**

Sr. No	Name of the Instrument/ Bank Facilities	Current Ratings		Rating History				
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	2.23	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (17-Aug-21)	1)CARE D; ISSUER NOT COOPERATING* (10-Jul-20)	1)CARE D; ISSUER NOT COOPERATING* (03-Sep-19)
2	Fund-based - LT-Cash Credit	LT	5.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (17-Aug-21)	1)CARE D; ISSUER NOT COOPERATING* (10-Jul-20)	1)CARE D; ISSUER NOT COOPERATING* (03-Sep-19)

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

**Annexure 3: Detailed explanation of the covenants of the rated instruments/facilities: Not Applicable**
**Annexure 4: Complexity level of various instruments rated for this firm**

Sr. No.	Name of Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple

**Annexure 5: Bank Lender Details for this Firm**

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

**Note on complexity levels of the rated instrument:** CARE Ratings Ltd. 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 CARE Ratings Limited:**

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With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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