

Womens Next Loungeries Limited

November 24, 2022

Rating

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	12.50	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	12.50 (₹ Twelve Crore and Fifty Lakhs Only)		

Details of instruments/facilities in Annexure-1.

Detailed Rationale & Key Rating Drivers

CARE had, earlier vide its press release dated September 22, 2020, placed the rating of Womens Next Loungeries Limited (WNLL) under the 'issuer non-cooperating' category as Women's Next Loungeries Limited had failed to provide information for monitoring of the rating. WNLL continues to be non-cooperative despite repeated requests for submission of information through phone calls and emails dated August 10, 2022, August 13, 2022 and August 14, 2022. In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE'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.

Detailed description of the key rating drivers

At the time of last rating on September 13, 2021, the following were the rating strengths and weaknesses

Key rating weaknesses

Delay in Debt Servicing: WNLL account has been classified as Non-Performing Asset (NPA) by Bank of Baroda on account of ongoing delay in debt servicing.

Analytical Approach: Standalone

Applicable criteria

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

[Policy on default recognition](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Credit Watch](#)

[Manufacturing Companies](#)

[Wholesale Trading](#)

About the company

Incorporated in December 2010 as Shiv Lingerie Private Limited by Mr Bhavesh Bhanushali, & Mrs Premila Bhanushali and subsequently converted to public limited company in 2012 with its name changed to Women's Next Loungeries Ltd. (WNLL) and listed with Bombay Stock Exchange in 2014. WNLL is engaged in the business of manufacturing of lingerie, loungerie, pajamas, t-shirts and night suits and trading of fabric. The company sells ~70% of products to Ashapura Intimates Fashion Ltd. (AIFL) under their brand name of 'Valentine' and rest is sold to its other distributors through organized retail chains and distributors under the own brand name of 'Women's Next'. Further company procures 65% of its total raw materials viz. grey fabric and elastic from Momai Apparels Ltd. (subsidiary of AIFL) and rest of the raw materials viz. buttons, buckles, hooks, etc. from domestic suppliers. WNLL has manufacturing unit which is located at Bhiwandi, Thane.

Brief Financials (₹ crore)	March 31, 2017 (A)	March 31, 2018 (A)	H1FY19 (UA)
Total operating income	51.77	38.76	15.44
PBILDT	3.70	4.73	-9.91
PAT	0.90	1.82	-10.97
Overall gearing (times)	1.10	0.55	0.64
Interest coverage (times)	1.84	2.42	Negative

A: Audited; UA: Unaudited;

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: Not Applicable

Any other information: Not Applicable

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

Covenants of the rated instruments/facilities: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated for this company: Annexure-4

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		-	-	-	12.50	CARE D; ISSUER NOT COOPERATING*

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 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-Cash Credit	LT	12.50	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (13-Sep-21)	1)CARE D; ISSUER NOT COOPERATING* (22-Sep-20)	1)CARE D; ISSUER NOT COOPERATING* (29-Jul-19)

*Long term/Short term.

Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities: Not available

Annexure-4: Complexity level of various instruments rated for this company

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

Annexure-5: Bank lender details for this company

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

Note on 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

Media contact

Name: Mradul Mishra
Phone: +91-22-6754 3596
E-mail: mradul.mishra@careedge.in

Analyst contact

Name: Ruchi Sanghavi
Phone: 9820921375
E-mail: ruchi.shroff@careedge.in

Relationship contact

Name: Saikat Roy
Phone: +91-98209 98779
E-mail: saikat.roy@careedge.in

About us:

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