

June 24, 2024

Matrix Clothing Private Limited: Ratings withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term Fund-based – Term Loan	1.64	1.64	[ICRA]BBB+ Rating Watch with Developing Implications; withdrawn
Short-term – Fund Based –working capital	106.80	106.80	[ICRA]A2 Rating Watch with Developing Implications; withdrawn
Total	108.44	108.44	

*Instrument details are provided in Annexure I

Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of **Matrix Clothing Private Limited(MCPL)** at the request of the company and based on the No Objection Certificate received from the bankers, and in accordance with ICRA's policy on withdrawal. ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed.

The Key rating drivers and their description, Key Financial Indicator, Liquidity position and Rating sensitivities have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Policy on Withdrawal of Credit Ratings Textiles - Apparels
Parent/Group support	Not applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated financials of MCPL, details of which have been enlisted in Annexure II.

About the company

MCPL, incorporated in 1977, manufactures apparels for the international markets. MCPL's current product portfolio consists of knitwear and woven apparel. The company has dedicated divisions for each of the following product lines—men's knitwear, men's woven wear and women's apparel. While the men's division includes golf apparel, performance wear, rugbies, sweats, hoodies, jackets and boxer shorts, the women's division has embroidered, sequins, prints, casuals and lounge wear. MCPL manufactures all its products at its facilities in Gurgaon.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Type	Current rating (FY2025)		Chronology of rating history for the past 3 years			
		Amount rated (Rs. crore)	Amount outstanding (Rs. crore) As on March 31, 2024	Date & rating in FY2025	Date & rating in FY2024	Date & rating in FY2023	Date & rating in FY2022
				June 24, 2024	Feb 12, 2024	Mar 14, 2023	Feb 17, 2022
1 Fund-based – Term Loan	Long-term	1.64	-	[ICRA]BBB+ Rating watch with developing implications; withdrawn	[ICRA]BBB+ Rating watch with developing implications	[ICRA]BBB+ (Stable)	[ICRA]BBB (Stable)
2 Fund-based – Working Capital	Short-term	106.8	-	[ICRA]A2 Rating watch with developing implications; withdrawn	[ICRA]A2 Rating watch with developing implications	[ICRA]A2	[ICRA]A3+

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term Fund-based – Term Loan	Simple
Short-term-Fund-based working capital	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#)

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Long-term Fund-based – Term loan	October 2017	NA	FY2024	1.64	[ICRA]BBB+ Rating watch with developing implications; withdrawn
NA	Fund-based – Working Capital	NA	NA	NA	106.80	[ICRA]A2 Rating watch with developing implications; withdrawn

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis:

Company Name	Ownership	Consolidation Approach
Matrix Clothing Private Limited	Holding Company	Full Consolidation
Subsidiary Companies		
Tangerine Design Private Limited	100.00%	Full Consolidation
Matrix Clothing Private Limited Jordan LLC	100.00%	Full Consolidation
Matrix Horizons Pvt Ltd	100.00%	Full Consolidation
MHPL Clothing Pvt. Ltd.	100.00%	Full Consolidation
Joint Venture Company		
Centre of Excellence In Design Limited	50.00%	Proportionately Consolidated
Associate Company		
Basko Finance and Leasing Pvt Ltd	-	Equity Method

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