

Mira Exim Limited

February 28, 2019

Summary of Rated Instrument:

Instrument	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-Term Fund based/Term Loan	1.8	1.8	[ICRA]BB+ (Stable) ISSUER NOT COOPERATING*; Rating moved to the 'Issuer Not Cooperating' category
Short-Term Fund based/ Packing Credit	43.2	43.2	[ICRA]A4+ ISSUER NOT COOPERATING*; Rating moved to the 'Issuer Not Cooperating' category
Total	45.0	45.0	

*Issuer did not co-operate; based on best available information.

Rationale

ICRA has moved the long-term/short-term ratings for the bank facilities of Mira Exim Limited (MEL) to the 'Issuer Not Cooperating' category. The rating is now denoted as "[ICRA]BB+(Stable)/A4+; ISSUER NOT COOPERATING". ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity's management has remained non-cooperative. The current rating action has been taken by ICRA basis best available/dated/ limited information on the issuers' performance. Accordingly, the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity.

Analytical approach

ICRA has applied its rating methodologies/policies as indicated below:

Links to applicable criteria:

[Policy in respect of non-cooperation by the rated entity](#)

About the company:

MEL was established in 1985 by Mr. Ashok Kumar Jain. It is a public limited company closely held by the promoter and his family members. The company is involved in the export of high end fashion garments for ladies and kids garments besides a small portfolio of home linen products and fabric sales. It caters to the mid-upper and upper price segments and its clientele includes leading global retailers like DKNY, Tommy Hilfiger, French Connection, Pepe Jeans, Etam and Oilily and catalogue sellers like Otto Versand, Heine, Klingel, Spiegel, Alba Moda, J.P. Boden, Freemans and Kaleidoscope. MEL's key markets are Europe and the USA; UK and Europe accounts for more than 70% of the company's revenues. About 60% of the company's sales are directly to retailers and catalogue sellers; while the remaining is through buying houses like Mumbai based Hope & Glory Limited. MEL buys grey fabric, gets it processed by job workers and manufactures garments from the same; the company has designing, sampling, stitching and finishing units in-house spread over seven locations in Noida, Uttar Pradesh with a capacity of about 3 million pieces per year.

The previous detailed rating rationale is available on the following link: [Click Here](#)

Key financial indicators (Audited)

	FY2017	FY2018
Operating Income (Rs. crore)	127.6	118.6
PAT (Rs. crore)	3.2	3.4
OPBDIT/ OI (%)	4.3%	8.6%
RoCE (%)	10.0%	9.1%
Total Debt/ TNW (times)	1.8	1.5
Total Debt/ OPBDIT (times)	10.2	5.2
Interest Coverage (times)	1.1	2.6
NWC/ OI (%)	45%	43%

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About ICRA Limited:

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