

January 16, 2025

Zenith Exports Limited: Continues to remain under issuer non-cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term / Short Term-Fund Based-Cash Credit	22.00	22.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING*/[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	22.00	22.00	

^{*}Issuer did not cooperate; based on best available information.

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has kept the Long-Term and Short-Term ratings of Zenith Exports Limited in the 'Issuer Not Cooperating' category. The rating is denoted as [ICRA]B+(Stable)/[ICRA]A4; ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with Zenith Exports Limited, ICRA has been trying to seek information from the entity so as to monitor its performance. Further, Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities: [Click here](#) ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

Zenith Exports Limited (ZEL) was established by Mr. B.R.Loyalka (Ex-Chairman) and his sons in the form of a partnership firm named M/s Zenith Enterprises. It was involved in the business of hire purchase and exports. In 1981, it was converted into its present form, i.e. - a listed company by the name of Zenith Exports Limited. The company reorganized its business and is currently involved in the manufacture and trade of silk and velvet fabrics and made-ups, industrial leather gloves and other leather products.

The business was divided into three separate divisions, namely Zenith Main Division (ZM), Zenith Textiles (ZT) and Zenith Spinners (ZS); however, the ZS division which was involved in the manufacturing of viscose, polyester and cotton yarn shut down its manufacturing operations in November 2015, and has been involved in some trading operations of yarn since then.

ZM is involved in production and trading of silk fabrics, made-ups, industrial leather gloves and other leather products, with units located in Dunlop and around Kolkata. ZT is involved in the manufacturing of silk and velvet fabrics and made-ups, and has manufacturing facilities located in Nanjangud (near Mysore). ZS is mainly involved in trading. Earlier, this division was also involved in the manufacture of viscose, polyester, cotton and blended yarns, with its manufacturing facility located in Sarandi (near Ahmedabad), however, production activities of this division was discontinued in FY2016.

Key financial indicators

Standalone	FY2023	FY2024
Operating Income (Rs. crore)	62.3	81.7
PAT (Rs. crore)	1.6	0.3
OPBDIT/OI (%)	-0.2%	-1.1%
PAT/OI (%)	2.5%	0.4%
Total Outside Liabilities/Tangible Net Worth (times)	0.2	0.1
Total Debt/OPBDIT (times)	-73.0	-6.2
Interest Coverage (times)	-0.1	-0.7

Status of non-cooperation with previous CRA: NA

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2025)			Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs. Crore)	Date & Rating in	Date & Rating in FY2024	Date & Rating in FY2023	Date & Rating in FY2022
				16-January-2025	20-December-2023	26-October-2022	05-July-2021
1	Fund Based-Cash Credit	Long Term /Short Term	22.00	[ICRA] B+(Stable); ISSUER NOT COOPERATING/[ICRA]A4; ISSUER NOT COOPERATING	[ICRA] B+(Stable);ISSUER NOT COOPERATING/[ICRA]A4;ISSUER NOT COOPERATING	[ICRA] B+(Stable);ISSUER NOT COOPERATING/[ICRA]A4;ISSUER NOT COOPERATING	[ICRA]B+(Stable)/[ICRA]A4

Complexity level of the rated instrument

Instrument	Complexity Indicator
Fund Based-Cash Credit	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, is available on ICRA's website: [Click Here](#)

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Fund Based-Cash Credit	NA	NA	NA	22.00	[ICRA] B+(Stable); ISSUER NOT COOPERATING/[ICRA]A4; ISSUER NOT COOPERATING

Source: Zenith Exports Limited

Annexure-2: List of entities considered for consolidated analysis: Not applicable

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

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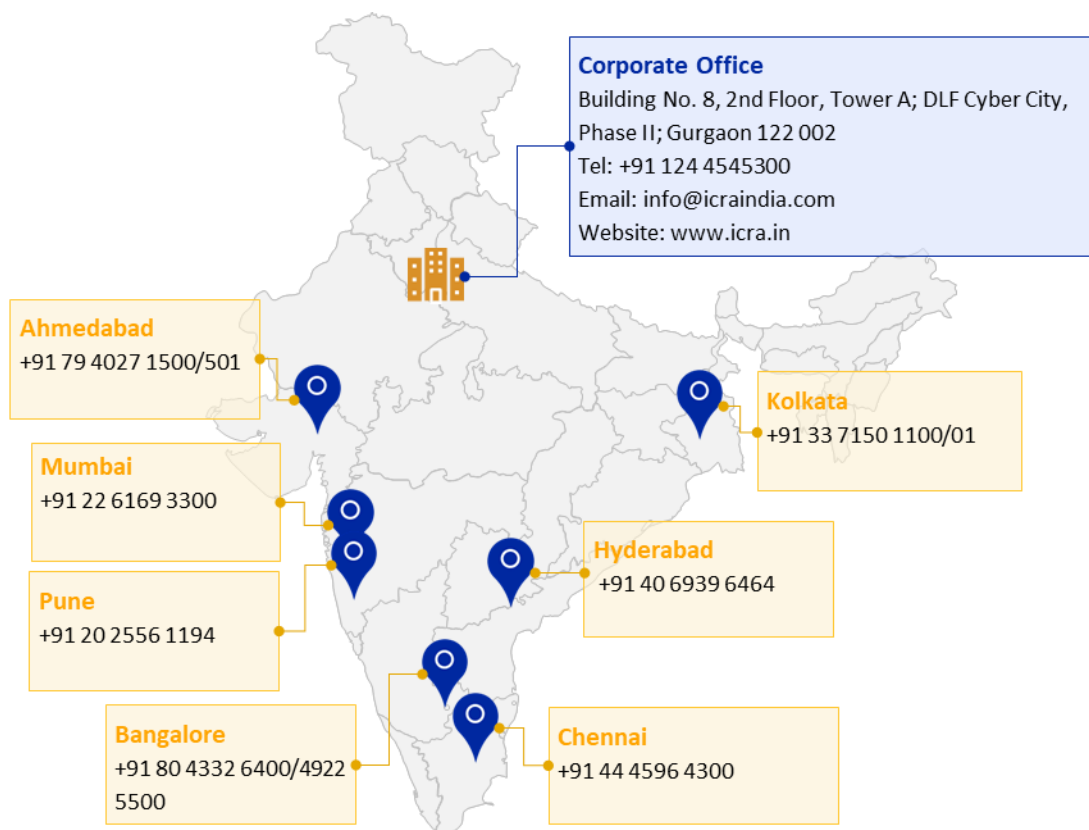
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