

Sangam Fashions Private Limited

February 11, 2019

Summary of rated instruments

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term: Fund based – Cash Credit	5.00	5.00	[ICRA]BB (Stable) ISSUER NOT COOPERATING; Withdrawn
Long-term: Fund based – Term Loan	6.80	6.80	[ICRA]BB (Stable) ISSUER NOT COOPERATING; Withdrawn
Short-term: Non fund based - Bank Guarantee	0.43	0.43	[ICRA]A4 ISSUER NOT COOPERATING; Withdrawn
Total	12.23	12.23	

*Instrument Details are provided in Annexure-1

Rating action

ICRA has withdrawn the ratings of [ICRA]BB(Stable)/[ICRA]A4 (pronounced ICRA double B with Stable outlook / ICRA A four) Issuer Not Cooperating assigned to the Rs. 12.23 crore¹ bank facilities of Sangam Fashions Private Limited ('SFPL' or 'the company')².

Rationale

The long-term and short-term ratings assigned to Sangam Fashions Private Limited have been withdrawn at the request of the company, based on the no-objection certificate provided by its banker.

Outlook: Not Applicable

Key rating drivers

Not Applicable

Liquidity Position: Not Applicable

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA's Policy on Withdrawal and Suspension of Credit Rating
Parent/Group Support	Not applicable.
Consolidation/Standalone	The rating is based on the standalone financial statements of the issuer.

¹ 100 lakh = 1 crore = 10 million

² For complete rating scale and definitions, please refer to ICRA's website www.icra.in or other ICRA Rating Publications

About the company:

Sangam Fashions Private Limited (SFPL) was incorporated by Mr. Arun Agarwal in 1994. It is in the business of processing fabrics. Although the promoters began with trading activities in the polyester fabric segment, to move up the value chain they integrated backwards by setting up their own manufacturing plant for processing grey fabric. The company began by setting up facilities for dyeing operations in December 2007, which were subsequently enhanced. In May 2010, in order to increase value addition for its products, the company installed printing machines for fabric printing. With higher margins, SFPL increased its printing capacity by 50% and commenced increased production from June 2011. During FY14, the company undertook capacity expansion for dyeing (by 10%) and printing (by 20%) operations from April 2013 onwards.

Key financial indicators (Audited): Not applicable

Status of non-cooperation with previous CRA: None

Any other information: None

Rating history for last three years:

Current Rating (FY2019)					Chronology of Rating History for the past 3 years			
Instrument	Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating		Date & Rating in FY2018	Date & Rating in FY2017	Date & Rating in FY2016 December 2015
				February 2019	August 2018	May 2017	-	-
1 Cash Credit	Long Term	5.00	-	[ICRA]BB (Stable) ISSUER NOT COOPERATING; Withdrawn	[ICRA]BB (Stable) ISSUER NOT COOPERATING	[ICRA]BB (Stable) ISSUER NOT COOPERATING	-	[ICRA]BB (Stable)
2 Term Loan	Long Term	6.80	NA^	[ICRA]BB (Stable) ISSUER NOT COOPERATING; Withdrawn	[ICRA]BB (Stable) ISSUER NOT COOPERATING	[ICRA]BB (Stable) ISSUER NOT COOPERATING	-	[ICRA]BB (Stable)
3 Bank Guarantee	Short Term	0.43	-	[ICRA]A4 ISSUER NOT COOPERATING; Withdrawn	[ICRA]A4 ISSUER NOT COOPERATING	[ICRA]A4 ISSUER NOT COOPERATING	-	[ICRA]A4

^ Outstanding as on date not available

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

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	Cash Credit	NA	NA	NA	5.00	[ICRA]BB (Stable) ISSUER NOT COOPERATING; Withdrawn
NA	Term Loan	FY2012	NA	FY2019	6.80	[ICRA]BB (Stable) ISSUER NOT COOPERATING; Withdrawn
NA	Bank Guarantee	Na	NA	NA	0.43	[ICRA]A4 ISSUER NOT COOPERATING; Withdrawn

Source: SFPL

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