

**winsome**

**Textile Industries Ltd.**

SCO # 191-192, Sector 34-A

Chandigarh - 160 022 INDIA

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Fax : +91 - 172 - 4646760

CIN : L17115HP1980PLC005647

E-mail : wtil@winsometextile.com

Website : www.winsometextile.com



Ref. No. WTIL/SECT/21  
Date: 07<sup>th</sup> October, 2021

**BSE Limited**  
**Corporate Relationship Deptt.**  
**Dalal Street, Fort**  
**Mombai-400001**

**Scrip Code-514470**

**Subject: Disclosure under Regulation 30 of SEBI (LODR) Regulations, 2015 – Credit Rating.**

Dear Sir,

This is with reference to mentioned subject, Please find attached herewith credit rating of the company, as received on 07<sup>th</sup> October, 2021 from CARE Ratings Limited.

You are requested to take the same on your records.

Thanking you

Sincerely yours

**For Winsome Textile Industries Limited**

**Videshwar Sharma**  
**Company Secretary**  
**ACS-17201**



**Encl: A/a**

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No. CARE/DRO/RL/2021-22/2327

**Shri Sanjay Kedia**  
**Chief Financial Officer**  
**Winsome Textile Industries Limited**  
Plot No 1, Industrial Area, Baddi  
Solan  
Himachal Pradesh 173205

October 01, 2021

**Confidential**

Dear Sir,

**Credit rating for bank facilities**

On the basis of recent developments including operational and financial performance of your Company for FY21 (Audited) and Q1FY22 (Provisional), our Rating Committee has reviewed the following ratings:

Facilities	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	190.31 (Enhanced from 164.40)	CARE BBB-; Stable (Triple B Minus; Outlook: Stable)	Reaffirmed and removed from Credit watch with Negative Implications; Stable outlook assigned
Short Term Bank Facilities	222.09 (Reduced from 277.10)	CARE A3 (A Three)	Reaffirmed and removed from Credit watch with Negative Implications
Total Facilities	412.40 (Rs. Four Hundred Twelve Crore and Forty Lakhs Only)		

2. Refer **Annexure 1** for details of rated facilities.
3. The rationale for the rating will be communicated to you separately. A write-up (press release) on the above rating is proposed to be issued to the press shortly, a draft of which is enclosed for your perusal as **Annexure 2**. We request you to peruse the annexed document and offer your comments if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and in other CARE publications.

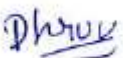
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crept in. Kindly revert as early as possible. In any case, if we do not hear from you by October 04, 2021 we will proceed on the basis that you have no comments to offer.

4. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
5. CARE reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE so as to enable it to carry out continuous monitoring of the rating of the bank facilities, CARE shall carry out the review on the basis of best available information throughout the life time of such bank facilities. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.
6. CARE ratings do not take into account the sovereign risk, if any, attached to the foreign currency loans, and the ratings are applicable only to the rupee equivalent of these loans.
7. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.
8. Users of this rating may kindly refer our website [www.careratings.com](http://www.careratings.com) for latest update on the outstanding rating.
9. CARE ratings are **not** recommendations to sanction, renew, disburse or recall the concerned bank facilities.

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,  
Yours faithfully,



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Encl.: As above

**Disclaimer**

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

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## Annexure 1

### Details of Rated Facilities

#### 1. Long Term Facilities

##### 1.A. Term Loans

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms
1.	UCO Bank	18.89	To be repaid in quarterly instalments ending April, 2026
2.	UCO Bank	18.00	To be repaid in monthly instalments ending March, 2026
3.	UCO Bank	13.79	To be repaid in quarterly instalments ending July, 2024
4.	Central Bank of India	10.39	
5.	Union Bank of India	9.90	To be repaid in quarterly instalments ending October, 2026
6.	Union Bank of India	9.25	To be repaid in monthly instalments ending February, 2026
7.	Central Bank of India	8.63	To be repaid in monthly instalments ending March, 2026.
8.	Union Bank of India	6.73	To be repaid in quarterly instalments ending April, 2026
9.	Bank of India	6.39	
10.	Canara Bank	6.39	
11.	Central Bank of India	5.95	
12.	Canara Bank	5.94	To be repaid in monthly instalments ending May, 2026
13.	Bank of Baroda	5.10	To be repaid in monthly instalments ending March, 2026
14.	Union Bank of India	4.93	To be repaid in quarterly instalments ending July, 2024
15.	Bank of Baroda	4.67	
16.	Bank of India	4.38	To be repaid in monthly instalments ending December, 2025
17.	UCO Bank	3.26	To be repaid in monthly instalments ending April, 2022.
18.	Bank of Baroda	1.57	To be repaid in quarterly instalments ending April, 2024
19.	Canara Bank	1.31	To be repaid in monthly instalments ending June, 2022.
20.	Bank of India	1.31	To be repaid in monthly instalments ending May, 2022
21.	Central Bank of India	1.17	To be repaid in monthly instalments ending April, 2022.
22.	Bank of Baroda	0.68	
23.	Bank of Baroda	0.59	To be repaid in quarterly instalments ending April, 2023.
	<b>Total</b>	<b>149.22</b>	

##### 1.B. Fund Based Limits

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Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms
1.	Central Bank of India	3.99	Repayable on demand
2.	UCO Bank	3.67	
3.	Bank of India	3.03	
4.	Canara Bank	2.83	
5.	Bank of Baroda	2.39	
6.	Union Bank of India	2.10	
	<b>Total</b>	<b>18.01</b>	

### 1.C. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)
1.	UCO Bank	14.70
2.	Union Bank of India	3.15
3.	Canara Bank	2.73
4.	Bank of India	2.50
	<b>Total</b>	<b>23.08</b>

**Total Long-Term Facilities: Rs.190.31 crore**

### 2. Short Term Facilities

#### 2.A. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Remarks
1.	UCO Bank	13.65	EPC/PSC
2.	Union Bank of India	6.20	
3.	Central Bank of India	6.10	
4.	Bank of India	5.27	
5.	Canara Bank	5.24	
6.	Bank of Baroda	3.53	
	<b>Total</b>	<b>39.99</b>	

#### 2.B. Fund Based Limits

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Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Remarks
1.	UCO Bank	13.48	Bill Discounting
2.	Union Bank of India	8.27	
3.	Central Bank of India	7.02	
4.	Canara Bank	6.84	
5.	Bank of Baroda	4.00	
6.	Bank of India	0.39	
	<b>Total</b>	<b>40.00</b>	

## 2.C. Non-Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Remarks
1.	UCO Bank	46.71	BG/LC
2.	Union Bank of India	30.63	
3.	Central Bank of India	23.49	
4.	Canara Bank	15.88	
5.	Bank of India	13.39	
6.	Bank of Baroda	12.00	
	<b>Total</b>	<b>142.10</b>	

**Total Short-term Facilities: Rs.222.09 crore**

**Total Facilities (1.A+1.B+1.C+2.A+2.B+2.C) : Rs.412.40 crore**

## Annexure-2

### Press Release

#### Winsome Textile Industries Limited

#### Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating <sup>2</sup>	Rating Action
Long Term Bank Facilities	190.31 (Enhanced from 164.40)	CARE BBB-; Stable (Triple B Minus; Outlook: Stable)	Reaffirmed and removed from Credit watch with Negative Implications; Stable outlook assigned
Short Term Bank Facilities	222.09 (Reduced from 277.10)	CARE A3 (A Three)	Reaffirmed and removed from Credit watch with Negative Implications
<b>Total Bank Facilities</b>	<b>412.40</b> <b>(Rs. Four Hundred Twelve Crore and Forty Lakhs Only)</b>		

Details of instruments/facilities in Annexure-1

#### Detailed Rationale & Key Rating Drivers

The ratings assigned to the bank facilities of Winsome Textile Industries Limited (WTIL) were earlier placed on 'Credit watch with Negative implications' by taking cognizance of the company's application to its lenders for one-time restructuring (OTR) of its bank facilities under the Reserve Bank of India's (RBI) guidelines issued on August 06, 2020 pertaining to Resolution Framework for COVID-19 related stress'.

CARE has now removed the ratings assigned to the bank facilities of WTIL from 'Credit watch with Negative Implications' following invocation and successful implementation of the OTR on June 19, 2021, and compliance with stipulated terms of sanction inter-alia creation of upfront Debt Service Reserve Account (DSRA) to the tune of Rs.10.50 crore in form of Fixed Deposit.

The reaffirmation of the ratings assigned to the bank facilities of WTIL takes into account uptick in demand in textile industry leading to healthy sales realizations and improvement in the financial performance during Q1FY22 (refers to the period from April 01 to June 30). The ratings continue to derive strength from experienced promoters coupled with established track record of operations, reputed clientele, and diversified product portfolio. The rating strengths are however partially off-set by leveraged capital structure marked by high overall gearing, and susceptibility of profitability margins to volatility in cotton prices and government regulations.

#### Rating Sensitivities

*Positive Factors- Factors that could lead to positive rating action/upgrade:*

- Increase in scale of operations with PBILDT margin above 14.00% on a sustained basis.
- Improvement in capital structure with overall gearing below 1.50x on a sustained basis.
- Improvement in liquidity position with current ratio above 1.20x on a sustained basis.

*Negative Factors- Factors that could lead to negative rating action/downgrade:*

- Deterioration in scale of operations with PBILDT margin below 8.00% on a sustained basis.
- Any major deterioration in the capital structure arising from debt funded capex, increased working capital borrowings leading to an above 2.5x overall gearing ratio.

<sup>2</sup>Complete definition of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and other CARE publications

## Detailed description of the key rating drivers

### Key Rating Strengths

**Improvement in scale of operations and profitability margins:** During FY21 (refers to the period from April 01 to March 31), the total operating income and the PBILDT margin of the company deteriorated marginally to Rs.625.91 crore (PY: Rs.663.90 crore) and 9.44% (PY: 10.05%) respectively. WTIL reported net loss in FY21 due to exceptional expense to the tune of Rs.5.21 crore towards provision for doubtful debts. However, for the period Q1FY22, the total operating income of WTIL grew by 109.44% to Rs.201.02 crore on y-o-y on account of lower sales reported during Q1FY21 due to covid-19 led lockdown and robust demand in the current year. Further, the PBILDT margin of the company improved substantially to 15.20%. Consequently, the company reported a PAT of Rs.2.83 crore in Q1FY22 vis-à-vis loss of Rs.8.67 crore in Q1FY21.

**Experienced promoters with established track record and reputed clientele:** WTIL was incorporated in 1980 by Mr. S.C. Bagrodia who has a vast experience of over 52 years in the textile industry. Currently, his son Mr. Ashish Bagrodia (Chairman and Managing Director) is looking after the overall operations of the company and has nearly two decades of experience in the textile industry. The promoters are assisted by a team of professionals who are experienced in their respective domains. The company has been in this line of business for nearly four decades now and has created established relations with their suppliers and buyers (both domestic and overseas). The company supplies yarn to many well-known domestic companies which in turn supply the finished product to reputed global brands like GAP, H&M, Marks & Spencer, Tommy Hilfiger etc.

**Diversified and value-added product portfolio:** The company is one of the largest manufacturers of Melange Yarn and dyed yarn in India. WTIL is involved into spinning of large variety of value-added fibre, silk, wool, linen, nylon, PVA, etc. in different blends and specialty products like slub yarn, mélange yarn, gassed mercerized yarns, etc. The company's product profile comprises almost 100% of value-added yarns. The company is also engaged in the manufacturing of knitted fabric of various blends. The company's product portfolio, being value added niche products, faces relatively lesser competition in domestic and global market which results in higher PBILDT margins as compared to grey yarn.

### Key Rating weaknesses

**Leveraged Capital structure:** The capital structure of the company remains leveraged as reflected by overall gearing of 2.10x as on March 31, 2021 (PY: 2.01x). The debt profile of the company as on March 31, 2021 comprises of term loans to the tune of Rs.78.64 crore (~20% of total debt), L.C. acceptances to the tune of Rs.119.19 crore (~31% of total debt), and working capital borrowings to the tune of Rs.192.56 crore (~49% of total debt). Debt coverage indicators of the company remained moderate as reflected by the PBILDT interest coverage of 1.79x (PY: 1.37x) and Total debt/GCA of 19.95x (PY: 21.17x) in FY21.

**Susceptibility of profitability margins to volatility in cotton prices and government regulations:** The domestic prices of cotton, the key input for spinners like WTIL, are governed by various factors like international prices, government regulations, the effect of monsoon, etc. Considering that the raw material costs accounted for a significant portion of the total income (~53% in FY21), any adverse fluctuations in the raw material prices can severely impact the profitability of WTIL. The sector is also susceptible to government interventions like fixing the minimum support price for cotton, imposing export ban on the yarn export, withdrawals of duties etc. All this has a direct bearing on the profitability margins of WTIL.

**Industry Prospects:** With structural shift in the international markets for speciality cotton-based yarns following the decision of the US to impose sanctions on Xinjiang- derived cotton exports from China, its likely to widen the export opportunity from India. China's speciality yarn exports are estimated to be ~200 billion dollars, the corresponding figure from India is a tenth of this figure. Even a 10 percent shift in exports from China to India could virtually double India's export of Speciality yarns.

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**Liquidity: Adequate:** The liquidity profile of the company remains adequate as reflected by average utilization of month end balance of working capital borrowings to the tune of ~84% for the trailing 12 months ended July, 2021. In November, 2020, the company had applied for OTR under the RBI's guidelines issued on August 06, 2020. Under one-time restructuring of existing term loans, the company was granted principal moratorium of 9 months (from October 01, 2020 to June 30, 2021) from all the banks except bank of Baroda where principal moratorium of 6 months was granted (from January 01, 2021 to June 30, 2021). However, no interest moratorium was granted to the company. The OTR was implemented on June 19, 2021. Post implementation of OTR, the company is scheduled to repay Rs.28.77 crore in FY22 against projected gross cash accruals to the tune of Rs.53.11 crore in FY22. DSRA to the tune of 10.50 crore being maintained in the form of fixed deposit receipts. The operating cycle of the company deteriorated to 104 days in FY21 (PY: 89 days) driven by increase in inventory holding days. The company does not have any major capex plans for the next 2-3 years.

**Analytical approach:** Standalone

### Applicable Criteria

[Criteria on assigning Outlook and credit watch to Credit Ratings](#)

[CARE's Policy on Default Recognition](#)

[Criteria for Short Term Instruments](#)

[Financial ratios – Non-Financial Sector](#)

[Liquidity analysis- Non- Financial Sector](#)

[CARE's methodology for manufacturing companies](#)

[Rating Methodology for Cotton Textile Manufacturing](#)

[Analytical treatment of restructuring- COVID](#)

### About the Company

Winsome Textile Industries Limited (WTIL) was incorporated as a Public Limited Company in 1980. WTIL operates from its manufacturing facility in Baddi, Himachal Pradesh. WTIL is engaged in the manufacturing of 100% cotton yarn and cotton yarn blended with viscose/ polyester/ acrylic/ linen/ wool and value-added yarns like melange and solid dyed. The company is also engaged in the manufacturing of knitted fabric of various blends. As on March 31, 2020, the company has an installed capacity of 1,10,000 spindles, yarn/fibre dyeing capacity of 30 MT (metric tonnes) per day and knitting capacity of 8 MT per day which is a forward integration into knitted fabrics from the mélange yarn. The company also operates an hydro power plant of 3.5 MW to meet a part of its power requirements. Apart from catering to the domestic market, the company also exports its products with the export income constituting ~42% of the total income in FY21 (~37% in FY20).

Brief Financials (Rs. crore)	FY20 (A)	FY21 (A)
Total operating income	663.90	625.91
PBILDT	66.70	59.10
PAT	-2.92	-1.21
Overall gearing (times)	2.01	2.10
Interest coverage (times)	1.37	1.79

A: Audited

**Status of non-cooperation with previous CRA:** NA

**Any other information:** NA

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

**Covenants of rated instrument / facility:** 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	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	18.01	CARE BBB-; Stable
Fund-based - ST-EPC/PSC		-	-	-	39.99	CARE A3
Non-fund-based - ST-BG/LC		-	-	-	142.10	CARE A3
Fund-based - LT-Term Loan		-	-	October, 2026	149.22	CARE BBB-; Stable
Fund-based - LT-Working Capital Demand loan		-	-	-	23.08	CARE BBB-; Stable
Fund-based - ST-PC/Bill Discounting		-	-	-	40.00	CARE A3

**Annexure-2: Rating History of last three years**

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1	Fund-based - LT-Cash Credit	LT	18.01	CARE BBB-; Stable	-	1)CARE BBB-(CWN) (20-Nov-20)2)CARE BBB-; Negative (20-Aug-20)	1)CARE BBB-; Stable (07-Oct-19)	1)CARE BBB-; Stable (05-Dec-18)
2	Fund-based - ST-EPC/PSC	ST	39.99	CARE A3	-	1)CARE A3 (CWN) (20-Nov-20)2)CARE A3 (20-Aug-20)	1)CARE A3 (07-Oct-19)	1)CARE A3 (05-Dec-18)
3	Non-fund-based - ST-BG/LC	ST	142.10	CARE A3	-	1)CARE A3 (CWN) (20-Nov-20)2)CARE A3 (20-Aug-20)	1)CARE A3 (07-Oct-19)	1)CARE A3 (05-Dec-18)
4	Fund-based - LT-Term Loan	LT	149.22	CARE BBB-; Stable	-	1)CARE BBB-(CWN) (20-Nov-20)2)CARE BBB-; Negative (20-Aug-20)	1)CARE BBB-; Stable (07-Oct-19)	1)CARE BBB-; Stable (05-Dec-18)
5	Fund-based - LT-Working Capital Demand loan	LT	23.08	CARE BBB-; Stable	-	1)CARE BBB-(CWN) (20-Nov-20)2)CARE BBB-; Negative (20-Aug-20)	1)CARE BBB-; Stable (07-Oct-19)	1)CARE BBB-; Stable (05-Dec-18)
6	Fund-based - ST-PC/Bill Discounting	ST	40.00	CARE A3	-	1)CARE A3 (CWN) (20-Nov-20)2)CARE A3 (20-Aug-20)	1)CARE A3 (07-Oct-19)	1)CARE A3 (05-Dec-18)

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### Annexure-3: Detailed explanation of covenants of the rated instrument / facilities- NA

### 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
2	Fund-based - LT-Term Loan	Simple
3	Fund-based - LT-Working Capital Demand loan	Simple
4	Fund-based - ST-EPC/PSC	Simple
5	Fund-based - ST-PC/Bill Discounting	Simple
6	Non-fund-based - ST-BG/LC	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 instrument:** CARE has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to [care@careratings.com](mailto:care@careratings.com) for any clarifications.

### Contact us

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#### About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

### Disclaimer

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CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

**\*\*For detailed Rationale Report and subscription information, please contact us at [www.careratings.com](http://www.careratings.com)**

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