

Rating Rationale

Brickwork Ratings Reaffirms the rating BWR A4 for the Bank Loan Facilities aggregating to ₹ 5.70 Cr of A D Textiles

Brickwork Ratings on review reaffirms the **Rating¹** for the bank loan facilities of A D Textiles.

Short Term Facilities	Previous Limits (₹ Cr)	Existing Limits (₹ Cr)	Facilities	Previous Rating	Revised Rating
CC/EPC	2.80	2.80	Fund Based	BWR A4	BWR A4 (Reaffirmation)
CC/SLC	0.70	0.70			
Non LC	2.00	2.00			
B G	0.20	0.20	Non Fund Based		
Total	5.70	5.70	(INR Five Crores and Seventy Lakhs Only)		

BWR has essentially relied upon audited financial results up to FY15, publicly available information and information provided by the management.

The rating continues to factor Promoter's experience in textile business, improved margins and coverage ratios in FY 15. The rating, however, is constrained by modest scale of operations considering long existence of the business, declined revenues in FY 15, customer concentration risk, Forex risk and partnership constitution risk.

Background:

A. D. Textiles a partnership firm was established in the year 2005. It is a manufacturer of Home Textiles based in Karur, Tamil Nadu. The Partners are Mr. B devarajan, Mr. Senthil Kumar and Ms. Kavitha. The plant is well equipped with dyeing, weaving, printing & embroidery, cutting & stitching, checking & finishing and packaging facilities. It exports 100% of its production to U.S, France and U.K. A D Textiles is accredited with ISO 9001: 2000 quality certification.

Financials:

A D Textiles revenue from operations stood at ₹ 15.10 Crs in FY 15 and net worth reported at

¹ Please refer to www.brickworkratings.com for definition of the Ratings

₹4.86 Crs as on 31st March, 2015.

Analyst Contact	Relationship Contact
analyst@brickworkratings.com	bd@brickworkratings.com
Phone	Media Contact
1-860-425-2742	media@brickworkratings.com

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