

Texel Industries Ltd.

Brickwork Ratings downgrades the long term ratings for the Bank Loan Facilities of Rs.11 Crs. of Texel Industries Ltd. based on best available information, as the issuer did not cooperate.

Particulars

Facility		Amount (₹ Cr)		Tenure	Rating*	
		Previous	Present		Previous	Present
Fund based	Term Loan - Sanctioned	9.00	9.00	Long Term	BWR BB+/ Stable Assignment	BWR BB/Stable Issuer not cooperating Downgrade
	Cash credit- Sanctioned	1.00	1.00			
Non Fund Based	Letter of Credit - Sanctioned	1.00	1.00	Short Term	BWR A4+ Assignment	BWR A4 Issuer not cooperating Downgrade
Total		11.00	11.00	(Rupees Eleven Crores Only)		

*Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

**Issuer did not cooperate; based on best available information

RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

The Bank loan rating was due for annual surveillance in Aug 2022. BWR took up with the client to provide the required information over emails and through telephone calls. Despite the best efforts of BWR to get at least the minimum required information for the review, the entity has not provided the same. In the absence of adequate information by the Company, BWR is unable to assess the Company’s performance and its ability to service its debt and maintain a valid rating.

Hence, on account of inadequate information and lack of management cooperation, Brickworks Ratings has downgraded long term rating to BWR BB (Stable) and moved the rating to the “Issuer Not Cooperating” category.

LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, non cooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress. Users of the credit rating should therefore take into account the possible deterioration in the credit quality of the rated entity arising from its non- transparency and withholdings of the information required for a review of the rating.



About the Entity

Incorporated in 1989 at Ahmedabad, Texel Industries Limited is engaged in manufacturing of Geosynthetics, targeted to be used in the construction and infrastructure sectors and PE protection covers for general use. The manufacturing plant is located at Santej, Ahmedabad, Gujarat. Mr. Shailesh Mehta, the Managing Director, has to his credit more than 30 years experience in this business.

Rating History for the last three years (including withdrawn/suspended ratings)

S.No	Instrument /Facility	Current Rating (2022)			2021	
		Type (Long Term/ Short Term)	Amount (₹ Cr)	Rating^	Date	Rating
	Fund Based	LT	10.00	BWR BB/Stable Issuer not cooperating/Downgrade	23-Aug-2021	BWR BB + /Stable Assignment
	Non Fund Based	ST	1.00	BWR A4/Issuer not cooperating/Downgrade	23-Aug-2021	BWR A4 + /Stable Assignment
	Total		11.00	₹ Eleven Crores Only		

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

Status of non-cooperation with previous CRA (if applicable)-Reason and comments

NA

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [What Constitutes Non-Cooperation](#)

For any other criteria obtain hyperlinks from website

Texel Industries Ltd.
Annexure I

Particulars	Units	FY 20-21 (Audited)	FY 19-20 (Audited)
Net Sales/Revenues	₹ Cr	82.97	95.50
EBIDTA	₹ Cr	5.27	5.96
PAT	₹ Cr	2.21	3.13
Tangible Networth	₹ Cr	21.94	20.17
Total Debt : TNW	Times	0.41	0.08
Current Ratio	Times	2.22	1.40

Note: As per information available with BWR

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Texel Industries Ltd.
ANNEXURE-I
Details of Bank Facilities rated by BWR

SL.No.	Name of the Bank/Lender	Type Of Facilities	Long Term(Rs.Crs.)	Short Term(Rs.Crs.)	Total(Rs.Crs.)
1	Kotak Mahindra Bank	Term Loan-Sanctioned	9.00	–	9.00
2	Kotak Mahindra Bank	Cash Credit-Sanctioned	1.00	–	1.00
3	Kotak Mahindra Bank	Letter of Credit-Sanctioned	–	1.00	1.00
Total			10.00	1.00	11.00
TOTAL (Rupees Eleven Crores Only)					



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