

## RATING RATIONALE

16 Jul 2020

Weizmann Ltd.

Brickwork Ratings Revises the rating for the Bank Loan Facilities of ₹10.23 Crores of Weizmann Ltd. based on best available information, as the issuer did not cooperate.

### Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (Jan 2015)	Present
Fund based	9.23	9.23	Long Term	BWR BBB- (Stable)	BWR BB+ (Stable) Issuer Not Cooperating* Downgraded
Non Fund Based	1.00	1.00	Short Term	BWR A3	BWR A4+ Issuer Not Cooperating* Downgraded
<b>Total</b>	<b>10.23</b>	<b>10.23</b>	<b>INR Ten Crores and Twenty Three Lakhs Only</b>		

# Please refer to BWR website [www.brickworkratings.com/](http://www.brickworkratings.com/) for definition of the ratings

\* Issuer did not cooperate, based on best available information.

Details of Bank facilities is provided in Annexure-I

### RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

Brickwork Ratings downgraded the rating for the bank loan facilities of ₹10.23 Crs of Weizmann Ltd. to BWR BB+/A4+ (Stable) Issuer Not Cooperating, based on best available information. BWR has rated the bank loan facilities of Weizmann Ltd. in Jan 2015 and assigned BWR BBB-/A3 (Stable).

BWR took up with the issuer to provide required complete information over email. Despite the best efforts of BWR to get at least the minimum required information for a review, the Company has not provided the same. In the absence of adequate information from the issuer, BWR is unable to assess the issuer's financial performance and its ability to service its debt and maintain a valid rating. Hence on account of inadequate information and lack of management cooperation, BWR recommends placing the rating under the category of Issuer Not Cooperating.

The lenders/investors may note to exercise due caution while using the above ratings which mentions 'Issuer Not Cooperating' since the ratings lack any projections or forward looking

component as it is arrived based on the best available information on the Company without any management/banker's interaction.

### LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, noncooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress.

### KEY FINANCIAL INDICATORS

Key Parameters	Units	FY13	FY14
Result Type		Audited	Audited
Net Sales	In ₹ Crs	44.80	43.98
EBITDA	In ₹ Crs	1.89	3.23
Net Profit	In ₹ Crs	1.74	1.36
Net worth	In ₹ Crs	54.81	55.17
Debt to Equity	Times	0.13	0.09

### COMPANY PROFILE

Weizmann Limited (WL) is a part of Weizmann Group incorporated in 1985 with registered office in Fort, Mumbai. The manufacturing facility of the Company is located in Vatva Road, Ahmedabad. The Company is engaged in textile manufacturing of African print fabric, finished fabric, trading of fabrics and textile processing. WL exports predominantly to African countries. The Company's product portfolio comprises cotton voiles, pricale and African prints. The Company also undertakes orders on job work basis for dyeing, colouring etc. The Company has changed its business strategy and is focusing more on catering to domestic market. Due to the high credit period offered by countries like China and Pakistan to African countries the company is facing delays in getting the export receivables on time and has therefore decided to concentrate on the domestic market. The Weizmann Group, a diversified conglomerate is engaged in money changing & transfer through Western Union Money Transfer business, renewable power, textile processing and exports. The Weizmann Group underwent restructuring which began from 2009, when two of its subsidiary Companies Karma Energy Limited and Weizmann Forex Limited were merged with Weizmann Limited on 01.04.2009. In April 2010, the power business and the forex business of the Company were demerged from Weizmann Limited to result in two companies in the group, viz. Karma Wind Power Limited and Chanakya Holdings Limited respectively. The names of the two resultant companies were later changed to Karma Energy Limited and Weizmann Forex Limited respectively. Post

demerger, the money changing and money transfer activities were transferred to Weizmann Forex Limited and all the renewable power businesses were transferred to Karma Energy Limited. The textile business continued under the name of Weizmann Limited.

**NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: NA**

**RATING HISTORY FOR THE PREVIOUS THREE YEARS (including withdrawal and suspended)**

Sr. No.	Name of Instrument	Facilities		Current Rating		Rating History		
		Type	Tenure	Amount (₹ Cr)	Rating	2019	2018	2017
1.	Bank Loan Facility	Fund Based	Long Term	9.23	BWR BB+ (Stable) Issuer Not Cooperating	-	-	-
2.		Non Fund Based	Short Term	1.00	BWR A4+ Issuer Not Cooperating	-	-	-
<b>Total</b>				<b>10.23</b>	<b>INR Ten Crores &amp; Twenty Three Lakhs Only</b>			

**COMPLEXITY LEVELS OF THE INSTRUMENTS**

For more information, visit [www.brickworkratings.com/download/ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf)

**Hyperlink/Reference to applicable Criteria**

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**ANNEXURE I**

**Weizmann Ltd.**

**Details of Bank Facilities rated by BWR**

Sl.No.	Name of the Bank	Type of Facilities	Long Term [₹ Cr]	Short Term [₹ Cr]	Total [₹ Cr]
1.	Punjab & Sind Bank	Fund Based	3.13	-	3.13
2.		Non Fund Based	-	0.50	0.50
3.	UCO Bank	Fund Based	2.15	-	2.15
4.	State Bank of India	Fund Based	3.95	-	3.95
5.		Non Fund Based	-	0.50	0.50
<b>TOTAL</b>					<b>10.23</b>

**Total INR Ten Crores and Twenty Three Lakhs Only.**

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**About Brickwork Ratings** :Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a leading public sector bank, as its promoter and strategic partner. BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations.

**DISCLAIMER** Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented “as is” without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons

