

# MONTE CARLO FASHIONS LIMITED

Regd. Office : B-XXIX-106, G.T. Road, Sherpur, Ludhiana - 141003 (Pb.) India.

Tel.: 91-161-5048610, 5048620, 5048630, 5048640 Fax : 91-161-5048650

Manufacturers & Exporters of High Class Woollen Hosiery Knitwear, Textiles & Exclusive Fully Fashion Knitwears

24-09-2016

National Stock Exchange of India Limited Exchange Plaza, 5 <sup>th</sup> Floor, Plot No. C/1, G-Block, Bandra-Kurla Complex, Bandra (E), Mumbai-400051.	BSE Limited. Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai-400001.
Symbol: MONTECARLO	Scrip Code: 538836

Sub: CREDIT RATING

Sir / Madam,

We wish to inform you that ICRA Limited ("Agency") has reaffirmed the rating assigned to Company's Commercial Paper Programme of ₹100.00 Crore at [ICRA] A1+ (pronounced ICRA A one plus). The Agency has also upgraded the Long term Rating to [ICRA] AA-(pronounced ICRA double A minus) from [ICRA] A+ (pronounced ICRA A plus) and reaffirmed the short term rating to [ICRA] A1+ (pronounced ICRA A one plus) for ₹300.00 Crores Line of Credit of the Company.

In this regard, please find enclosed the copy of aforesaid ratings assigned to the Company for your information and records.

Kindly acknowledge the receipt.

Thanking You,

For MONTE CARLO FASHIONS LIMITED

  
CO. SECRETARY & COMPLIANCE OFFICER

Encl. As Above.





ICRA

ICRA Limited

Ref: D/RAT/2016-17/M-207/3

September 20, 2016

Mr. Sandeep Jain  
Director  
Monte Carlo Fashions Limited  
G.T. Road  
Sherpur, Ludhiana  
Punjab-141003

Dear Sir,

**Re: Surveillance of ICRA Credit Rating for Rs. 100.0 crore Commercial Paper (CP) Programme of Monte Carlo Fashions Limited**

As you would be aware that in terms of the rating agreement received from the clients, ICRA is required to review all its ratings, on an annual basis, or as and when circumstances so warrant.

The Rating Committee of ICRA, after due consideration, has **reaffirmed** the rating assigned to the aforementioned instrument at **[ICRA]A1+** (pronounced ICRA A one plus). Instruments with [ICRA]A1 rating are considered to have very strong degree of safety regarding timely payment of financial obligations. Such instruments carry lowest credit risk. Within this category, rating modifier {"+" (plus)} can be used with the rating symbols. The modifier reflects the comparative standing within the category.

Kindly note:

(a) The rating of the aforementioned instrument is based on the condition that total borrowings by way of sanctioned working capital facilities from the banks and commercial paper will remain within a total of below mentioned items:

1. Lower of sanctioned working capital limits / Maximum Permissible Banking Finance
2. Unencumbered cash balances/ bank deposit/liquid mutual funds (investment such as equity, Fixed Maturity Plans are excluded within the definition of liquid mutual fund)

(b) If the instrument rated, as above, is not issued by you within a period of 3 months from the date of this letter, the rating would need to be revalidated before issuance.

(c) Subject to Clause (d) below, our rating is valid from the date of this letter till September 16, 2017 ("Validity Period"). The rating will generally be due for review at the end of the Validity Period. The maturity date of the Commercial Paper shall not be after the end of the Validity Period. The Commercial Paper will have a maximum maturity of twelve months.

(d) ICRA reserves the right to suspend, withdraw or revise the above rating at any time on the basis of new information or unavailability of information or such circumstances, which ICRA believes, may have an impact on the aforesaid rating assigned to you.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the Commercial Paper issued by you. The rating is restricted to your Commercial Paper programme size of Rs. 100.0 crore only. In case, you propose to enhance the size of the Commercial Paper programme, the same would require to be rated afresh. ICRA does not assume any responsibility on its part, for any liability, that may arise consequent to your not complying with any eligibility criteria, applicable from time to time, for issuance of Commercial Paper.

*Satyaseel Mehta*

*Hanish*

Building No. 8, 2<sup>nd</sup> Floor  
Tower A, DLF Cyber City  
Phase II, Gurgaon - 122002

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CIN : L74999DL1991PLC042749

website : [www.icra.in](http://www.icra.in)  
email : [info@icraindia.com](mailto:info@icraindia.com)

Registered Office : 1105, Kailash Building, 11<sup>th</sup> Floor, 26 Kasturba Gandhi Marg, New Delhi - 110001, Tel.: +91-11-23357940-50 Fax : +91-11-23357014

**RATING • RESEARCH • INFORMATION**



You are required to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing. You are also required to keep us forthwith informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s).

You are required to us inform immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

We thank you for your kind co-operation extended during the course of the rating exercise. Should you require any clarification, please do not hesitate to get in touch with us.

With kind regards,

Yours sincerely,  
for ICRA Limited

A handwritten signature in blue ink that reads 'Sabyasachi Majumdar'.

**Sabyasachi Majumdar**  
(Senior Vice President)

A handwritten signature in blue ink that reads 'Deep Inder Singh'.

**Deep Inder Singh**  
(Senior Analyst)

Ref: D/RAT/2016-17/M-207/4

September 22, 2016

Mr. Sandeep Jain  
Director  
Monte Carlo Fashions Limited  
G.T. Road  
Sherpur, Ludhiana  
Punjab-141003

Dear Sir,

**Re: Surveillance of ICRA assigned Credit Rating for Rs. 300.00 crore Line of Credit (LOC) of Monte Carlo Fashions Limited (instrument details in Annexure)**

As you are aware that in terms of the rating agreement received from its clients, ICRA is required to review all its ratings, on an annual basis, or as and when the circumstances so warrant.

Please note that the Rating Committee of ICRA, after due consideration, has **upgraded** the long-term rating for the captioned Line of Credit (LOC) to **[ICRA]AA-** (pronounced ICRA double A minus) from **[ICRA]A+** (pronounced ICRA A plus)<sup>†</sup>. The Outlook on the long-term rating is **Stable**. The Rating Committee of ICRA has also **reaffirmed** the short term rating for the captioned LOC at **[ICRA]A1+** (pronounced ICRA A one plus). The aforesaid ratings are valid till September 2017.

The ratings as stated above are specific to the terms and conditions of the LOC as indicated to us by you. In case there is any change in the terms and conditions, or the size of the rated LOC, the same must be brought to our notice immediately. Any such change would warrant a rating review, following which there could be a change in the ratings assigned.

ICRA reserves the right to suspend, withdraw or revise the above rating at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you.

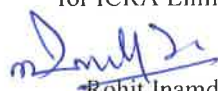
You are required to furnish a quarterly statement (in the format enclosed) confirming the timeliness of payment of all obligations against the rated debt programme [interest and principal obligations for fund based as well as obligations under LOC/BG for non-fund based facility].

You are also required to forthwith inform us about any default or delay in repayment of interest or principal amount of the Programme rated, as above, or any other debt instruments/ borrowings. You are requested to forthwith inform us of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s).

We thank you for your kind cooperation extended during the course of the rating exercise. Please let us know if you need any clarification.

With regards,

Yours sincerely,  
for ICRA Limited



Rohit Inamdar  
(Senior Vice President)



Deep Inder Singh  
(Senior Analyst)

<sup>†</sup> For complete rating definition please refer to ICRA Website [www.icra.in](http://www.icra.in) or any of the ICRA Rating Publications



**Annexure I:**

Format for periodic undertaking

[To be sent periodically to ICRA Limited by email and fax]

*The company has been regular in servicing all its principal and interest obligations in a timely manner and there has not been any delay or default (a missed or delayed payment in breach of the agreed terms of the issue) during the specified period. We also confirm that there has been no re-schedulement in regard to any of company's debt obligations. We also confirm that there has been no overdrawal of the drawing power sanctioned by the bank for a period of more than 30 consecutive days in case of bank facilities which do not have scheduled maturity/repayment dates.*

**Annexure II:**

**Details of the bank limits of MCFL rated by ICRA (Rated on long term scale)**

Bank	Instrument	Amount (Rs. crores)	Rating	Assigned On
Indian Bank	Term Loan	38.43	[ICRA]AA- (Stable)	September 21, 2016
State Bank of Patiala	Term Loan	23.46	[ICRA]AA- (Stable)	September 21, 2016
State Bank of India	Cash Credit	75.00	[ICRA]AA- (Stable)	September 21, 2016
State Bank of India	Bank Guarantee	2.40	[ICRA]AA- (Stable)	September 21, 2016
Unallocated		143.11	[ICRA]AA- (Stable)	September 21, 2016
<b>Total</b>		<b>282.40</b>		

**Details of the bank limits of MCFL rated by ICRA (Rated on short term scale)**

Bank	Instrument	Amount (Rs. crores)	Rating	Assigned On
State Bank of India	Letter of Credit	17.60	[ICRA]A1+	September 21, 2016
<b>Total</b>		<b>17.60</b>		