



## Press Release

Phoenix International Limited  
June 10, 2024

### Ratings

Facilities**	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	<a href="#">Complexity Indicator</a>
Long Term Bank Facility – Lease Rental Discounting	124.00	IVR BBB-/ Negative; ISSUER NOT COOPERATING* (IVR Triple B Minus with Negative Outlook; Issuer Not Cooperating)	IVR BBB-/ Stable (IVR Triple B Minus with Stable Outlook)	Reaffirmed/ Outlook revised to Negative and migrated to ISSUER NOT COOPERATING category	Simple
<b>Total</b>	<b>124.00</b>	<b>Rupees One Hundred Twenty Four Crores only</b>			

\* Issuer not cooperating; Based on best available information

\*\* Details of facilities is given under Annexure I.

### Ratings

The ratings have been reaffirmed with change in Outlook from Stable to Negative and migrated to 'ISSUER NOT COOPERATING' category due to non-submission of complete information on time for review and lack of management co-operation.

### Detailed Rationale

The rating has been reaffirmed with change in Outlook from Stable to Negative due to lack of adequate complete information regarding Phoenix International Limited and hence the uncertainty around its credit risk. Infomerics Valuation and Rating Private Limited (IVR) assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

IVR had previously rated the bank loan facilities of Phoenix International Limited in April 2023 and rating was due for annual review. Despite follow ups through emails dated 2 April,2024; 22 April,2024; 1 May,2024; 15 May,2024; 27 May,2024; 31 May,2024; 3 June,2024 and concurrently over multiple phone calls for submission of required complete information for review and failure to submit required information for a review is considered as an act of non-cooperation. In the absence of adequate complete information from the company, IVR is unable to assess the company's financial performance and its ability to service its debt and maintain a valid rating. Hence, the Outlook revised from Stable to Negative and rating migrated to Issuer Not Cooperating category. Accordingly, the lenders, investors and other users of this rating are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the Company.



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### Non-cooperation by Issuer

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the long-term rating for the bank loan facilities aggregating to Rs. 124.00 Crore for the bank loan facilities of Phoenix International Limited have been reaffirmed with change in the Outlook from Stable to Negative and migrated to 'ISSUER NOT COOPERATING' category by Infomerics and the rating for the long-term be noted as IVR BBB-/Negative; ISSUER NOT CO-OPERATING and based on best available information.

**Liquidity:** Unable to comment due to lack of adequate information

**Analytical Approach:** Standalone Approach

### Applicable Criteria:

- [Lease Rental Discounting](#)
- [Rating Methodology for Manufacturing Companies.](#)
- [Financial Ratios & Interpretation \(Non-Financial Sector\).](#)
- [Criteria for assigning Rating outlook.](#)
- [Policy on Default Recognition](#)
- [Complexity Level of Rated Instruments/Facilities](#)

### About the Company

Phoenix International Limited was set up in 1995 and is engaged in shoe manufacturing in Noida (Uttar Pradesh) The production was discontinued in 2000 and from fiscals 2000 to 2005, the company was largely involved in trading of shoe uppers in the export markets. In fiscal 2006, PIL restarted manufacturing of leather shoe uppers from a leased premise in Chennai (Tamil Nadu). Further in fiscal 2007, the company's erstwhile manufacturing facility in Noida was refurbished as a commercial office space and leased out to tenants

### Financials (Standalone):

For the year ended***/As on	(Rs. Crore)	
	31-03-2023	31-03-2024
	Audited	Audited
Total Operating Income	32.37	27.45
EBITDA	12.84	13.86
PAT	2.29	2.54
Total Debt	88.22	78.40
Tangible Net worth	339.23	341.73



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EBITDA Margin (%)	39.67	50.51
PAT Margin (%)	6.94	9.16
Overall Gearing Ratio (x)	0.26	0.23

\*\*\*Classification as per Infomerics' standards on financials as available.

**Status of non-cooperation with previous CRA:** None

**Any other information:** Nil

### Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Rating (Year 2024-25)			Rating History for the past 3 years			
		Type	Amount outstanding (Rs. Crore)	Current Rating	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22	Date(s) & Rating(s) assigned in 2020-21
1.	Long Term Bank Facility – Fund Based	Long Term	124.00	IVR BBB-/Negative; ISSUER NOT COOPERATING * G *	IVR BBB-/Stable (11 Apl, 2023)	-	IVR BBB-/Negative (13 Jan, 2022)	IVR BBB-/Stable (29 Oct, 2020)

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

### Name and Contact Details of the Rating Analyst:

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### About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.



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Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit [www.infomerics.com](http://www.infomerics.com)

**Disclaimer:** Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are 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 us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the entity at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

### Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Bank Facility – Fund Based (LRD)	-	-	Nov,2031	124.00	IVR BBB- /Negative; ISSUER NOT COOPERATING*

**Annexure 2: List of companies considered for consolidated analysis):** Not Applicable

**Annexure 3: Facility wise lender details** <https://www.infomerics.com/admin/prfiles/Len-Phoenix-International-10june24.pdf>

**Annexure 4: Detailed explanation of covenants of the rated instrument/facilities:** Not Applicable



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**Note on complexity levels of the rated instrument:** Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at [www.infomerics.com](http://www.infomerics.com).