



## Press Release

### Phoenix International Limited

November 22, 2024

#### Ratings

Facilities	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facility (LRD)	124.00	IVR BB+/ Negative; ISSUER NOT COOPERATING* (IVR Double B Plus with Negative Outlook; Issuer Not Cooperating)	IVR BBB-/ Negative ISSUER NOT COOPERATING (IVR Triple B Minus with Negative Outlook; Issuer Not Cooperating)	Downgraded and continued under ISSUER NOT COOPERATING category	<u>Simple</u>
<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/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.**

#### Ratings

Infomerics ratings has downgraded the long-term bank facilities of Phoenix International Limited and continued under 'ISSUER NOT COOPERATING' category due to non-submission of information and lack of management cooperation.

#### Detailed Rationale

The aforesaid rating action to the bank facilities of Phoenix International Limited reflects lack of adequate information available about the performance of the company and hence the uncertainty around its credit risk. Infomerics Ratings assesses whether the information available about the company is commensurate with its rating and reviews the same as per its policy. Infomerics ratings has rated the bank loan facilities of Phoenix International Limited in June 2024. Despite close follow ups through mails dated October 15, November 14, November 18, 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, Infomerics ratings is unable to assess the company's financial performance and its ability to service its debt and maintain a valid rating. Accordingly, the lenders, investors and other users of this rating are requested to



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exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the Company. Based on the same IVR has downgraded and continued the long-term bank facilities to IVR BB+/Negative; ISSUER NOT COOPERATING.

### **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 of Phoenix International Limited have been downgraded and continued under 'ISSUER NOT COOPERATING' category by Infomerics and the rating for the long-term be noted as IVR BB+/Negative; ISSUER NOT CO-OPERATING by IVR based on best available information.

**Analytical Approach:** Standalone Approach

**Applicable Criteria:**

[Lease Rental Discounting](#)

[Rating Methodology for Manufacturing companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Complexity Level of Rated Instruments/Facilities](#)

[Criteria for assigning Rating Outlook](#)

[Instrument/Facility wise Default Recognition & Post-Default Curing Period](#)

**Liquidity** – Unable to comment due to lack of adequate information.

### **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



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(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
EBITDA Margin (%)	39.67	50.51
PAT Margin (%)	6.94	9.16
Overall Gearing Ratio (x)	0.26	0.23
Interest Coverage Ratio (x)	1.85	1.99

\*Classification as per Infomerics' standards

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 2024-25 (June 10, 2024)	Date(s) & Rating(s) assigned in 2023-24 (April 11, 2023)	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22 (Jan 13, 2022)
1.	Long Term Bank Facility – Fund Based	Long Term	124.00	IVR BB+/Negative; ISSUER NOT COOPERATING *	IVR BBB-/Negative; ISSUER NOT COOPERATING	IVR BBB-/Stable	-	IVR BBB-/Negative

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



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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.

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.



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### Annexure 1: Details of Facilities

Name of Facility	ISIN	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 BB+/Negative; ISSUER NOT COOPERATING*

*\*Issuer did not cooperate; Based on best available information*

### Annexure 2: Facility wise lender details

<https://www.infomerics.com/admin/prfiles/len-Phoenix-International-nov24.pdf>

**Annexure 3: Detailed explanation of covenants of the rated Security/facilities:** Not Applicable

**Annexure 4: List of companies considered for consolidated/Combined analysis:** Not Applicable

**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).