

Press Release

Nikunj Industries

D-U-N-S® Number: 86-011-2786

April 15, 2020



Rating Update

Total Bank Facilities Rated*	Rs. 7.50 crore#
Long Term Rating	ACUITE BB- Issuer not co-operating*

Refer Annexure for details

* The issuer did not co-operate; based on best available information.

Acuité has reviewed the long term rating of '**ACUITE BB-**' (**read as ACUITE Double B minus**) on the Rs. 7.50 crore bank facilities of Nikunj Industries. This rating is now an indicative rating and is based on best available information.

Nikunj Industries, is an Ankleshwar-based proprietorship concern established in 1998 by Mrs. Anju Dharmendra Phatnani and operations are managed by Mr. Dharmendra Phatnani. The firm manufactures synthetic filament textured yarn in the range of 20 denier and 30 denier used to manufacture hosiery items and readymade garments. The manufacturing facility is located at Ankleshwar (Gujarat). The firm imports around 35 percent of its total raw material requirement (synthetic yarn) from South Korea with the remaining procured from the local market

Non-cooperation by the issuer/borrower

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer / borrower failed to submit such information before due date.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities -<https://www.acuite.in/view-rating-criteria-4.htm>

Limitation regarding information availability

The rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). Acuité endeavored to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests

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

Not Applicable

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
01-Feb-2019	Cash Credit	Long Term	2.00	ACUITE BB- / Stable (Reaffirmed)
	Term loans	Long Term	0.12	ACUITE BB- / Stable (Reaffirmed)
	Term loans	Long Term	0.01	ACUITE BB- / Stable (Reaffirmed)
	Term loans	Long Term	0.30	ACUITE BB- / Stable (Reaffirmed)
	Term loans	Long Term	0.01	ACUITE BB- / Stable (Reaffirmed)
	Term loans	Long Term	0.62	ACUITE BB- / Stable (Reaffirmed)
	Term loans	Long Term	0.96	ACUITE BB- / Stable (Reaffirmed)
	Term loans	Long Term	1.14	ACUITE BB- / Stable (Reaffirmed)
	Term loans	Long Term	2.34	ACUITE BB- / Stable (Reaffirmed)
22-Nov-2017	Cash Credit	Long Term	1.60	ACUITE BB- / Stable (Assigned)
	Term Loan	Long Term	0.37	ACUITE BB- / Stable (Assigned)
	Term Loan	Long Term	0.05	ACUITE BB- / Stable (Assigned)
	Term Loan	Long Term	0.51	ACUITE BB- / Stable (Assigned)
	Term Loan	Long Term	0.03	ACUITE BB- / Stable (Assigned)
	Term Loan	Long Term	0.89	ACUITE BB- / Stable (Assigned)
	Term Loan	Long Term	1.12	ACUITE BB- / Stable (Assigned)
	Term Loan	Long Term	1.35	ACUITE BB- / Stable (Assigned)
	Proposed Long Term Loan	Long Term	0.58	ACUITE BB- / Stable (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE BB- Issuer not co-operating*
Term loans	Not Applicable	Not Applicable	Not Applicable	0.12	ACUITE BB- Issuer not co-operating*
Term loans	Not Applicable	Not Applicable	Not Applicable	0.01	ACUITE BB- Issuer not co-operating*
Term loans	Not Applicable	Not Applicable	Not Applicable	0.30	ACUITE BB- Issuer not co-operating*
Term loans	Not Applicable	Not Applicable	Not Applicable	0.01	ACUITE BB- Issuer not co-operating*
Term loans	Not Applicable	Not Applicable	Not Applicable	0.62	ACUITE BB- Issuer not co-operating*

Term loans	Not Applicable	Not Applicable	Not Applicable	0.96	ACUITE BB- Issuer not co-operating*
Term loans	Not Applicable	Not Applicable	Not Applicable	1.14	ACUITE BB- Issuer not co-operating*
Term loans	Not Applicable	Not Applicable	Not Applicable	2.34	ACUITE BB- Issuer not co-operating*

^aSub limit is FDBP/FUDP up to Rs. 2.60 crore

*The issuer did not co-operate; based on best available information.

Contacts

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (Erstwhile SMERA Ratings Limited) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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