

Press Release

Ajay India Limited

September 02, 2021



Rating Update

Total Bank Facilities Rated*	Rs. 30.00 Cr.#
Long Term Rating	ACUITE B+ 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 B+** (read as **ACUITE B plus**) on the Rs.30.00 crore bank facilities of Ajay India Limited (AIL). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

The Rajasthan-based, AIL was incorporated in 1996 by Mr. K L Kabra and family. The company is engaged in the manufacturing of grey and finished fabrics at Bhilwara (Rajasthan) and has installed capacity of 12 lakhs metres per annum.

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 the due date.

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

This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities- <https://www.acuite.in/view-rating-criteria-59.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.

Liquidity Indicators - "No information provided by the issuer / available for Acuite to comment upon."

Rating Sensitivity - "No information provided by the issuer / available for Acuite to comment upon."

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)

None

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 (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook

24-Jun-20	Cash Credit	Long term	15.00	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
	Term Loan	Long term	15.00	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
12-Apr-19	Cash Credit	Long term	15.00	ACUITE BB- Issuer not co-operating*
	Term Loan	Long term	15.00	ACUITE BB- Issuer not co-operating*
29-Mar-18	Cash Credit	Long term	15.00	ACUITE BB-/Stable (Assigned)
	Term Loan	Long term	15.00	ACUITE BB-/Stable (Assigned)

#Annexure – Details of instruments rated

Lender Name	Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Bank of Baroda	Cash Credit	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE B+ Issuer not co-operating*
Bank of Baroda	Term Loan	Not Available	Not Available	Not Available	15.00	ACUITE B+ Issuer not co-operating*

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

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About Acuité Ratings & Research:

Acuité Ratings & Research 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 8,665 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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