

Press Release

AIFL Retails Private Limited

November 21, 2019

Rating Update



Total Bank Facilities Rated*	Rs. 65.00 Cr. #
Long Term Rating	ACUITE B- (Downgraded from ACUITE BB /Negative) Issuer not co-operating*

Refer Annexure for details

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

Acuite has downgraded the long-term rating to '**ACUITE B-**' (read as **ACUITE B minus**) from '**ACUITE BB**' (read as **ACUITE double B**) on the Rs. 65.00 crore bank facilities of AIFL RETAILS PRIVATE LIMITED (ARPL). This rating is now an indicative rating and is based on best available information.

The downgrade is in view of developments at the parent company, Ashapura Intimates Fashion Limited (AIFL). The principal promoter of the company, Mr. Harshad Thakkar, has been missing (AIFL has intimated stock exchanges of filing of missing person complaint filed with Mumbai Police). Further, the rating also undertakes information risk.

ARPL is a 100 percent subsidiary of Ashapura Intimates Fashion Limited, incorporated in April 2018. With the incorporation of ARPL, the company plans to open up 100 retail outlets. The company will sell 3 brands under the ARPL. The company will purchase manufactured finished goods from the job workers and sell it in their retail outlets.

Non-cooperation by the issuer/borrower

Acuite 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.

Acuite 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.

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

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Trading Entities - <https://www.acuite.in/view-rating-criteria-61.htm>
- Financial Ratios and Adjustments - <https://www.acuite.in/view-rating-criteria-20.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). Acuite endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuite 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

Acuite 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. Cr.)	Ratings/Outlook
19-Oct-2018	Cash Credit	Long Term	20.00	ACUITE BB/Negative (Ratings Under Watch)
	Term Loan	Long Term	45.00	ACUITE BB/Negative (Ratings Under Watch)
25-Sept-2017	Cash Credit	Long Term	20.00	ACUITE BBB+/Stable (Reaffirmed)
	Term Loan	Long Term	45.00	ACUITE BBB+/Stable (Assigned)
05-Sept-2018	Cash Credit	Long Term	20.00	ACUITE BBB+/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	20.00	ACUITE B- (Downgraded from ACUITE BB/Negative) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	45.00	ACUITE B- (Downgraded from ACUITE BB/Negative) Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
Aditya Gupta Head - Corporate and Infrastructure Sector Ratings Tel: 022-49294041 aditya.gupta@acuite.in Grishma Muni Analyst - Rating Operations Tel: 022-49294035 grishma.muni@acuite.in	Varsha Bist Manager - Rating Desk Tel: 022-49294011 rating.desk@acuite.in

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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