

Press Release
Atext Chemical Industries

July 22, 2021

Rating Withdrawn



Total Bank Facilities Rated*	Rs. 5.87 Cr. #
Long Term Rating	ACUITE BB- (Withdrawn; Issuer not co-operating*)
Short Term Rating	ACUITE A4+ (Withdrawn; Issuer not co-operating*)

Refer Annexure for details

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

Rating Rationale

Acuite has withdrawn the long term rating of '**ACUITE BB-**' (read as **ACUITE double B minus**) and short term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs. 5.87 crore bank facilities of Atext Chemical Industries (ACI). The rating withdrawal is in accordance with Acuite's policy on withdrawal of rating. The rating is flagged as 'Issuer Not-Cooperating' and is based on best available information.

The rating is being withdrawn on account of request received from the company and NOC received from the banker.

About the company

ACI was established in 1990 and is promoted by Mr. Bhanubhai Patel. ACI is engaged in manufacturing and export of reactive dyes using Dye Intermediaries as its raw materials. Its manufacturing facility is located in Ahmedabad (Gujarat) with a manufacturing capacity of 400 tons of Crude Dye and 400 tons of mix dyes (as per customer specification). The proprietorship concern caters ~90 percent to the textile sector and the remaining to leather, ink and paper industry. Around 70 to 80 percent of the revenues are through exports to countries such as Turkey, Bangladesh, Egypt, Switzerland, Netherlands, Germany, USA, Mexico, Brazil, China, Taiwan, Pakistan and the rest are sold domestically.

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 the due date.

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-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). Acuite endeavored 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.

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

None

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
18-Dec-2019	Cash Credit	Long term	3.00	ACUITE BB-/Stable (Upgraded)
	Working Capital Term Loan	Long term	0.22	ACUITE BB-/Stable (Upgraded)
	Term Loan- I	Long term	0.19	ACUITE BB-/Stable (Upgraded)
	Term Loan- II	Long term	0.15	ACUITE BB-/Stable (Upgraded)
	Term Loan- III	Long term	0.03	ACUITE BB-/Stable (Upgraded)
	Proposed Long Term Loan	Long term	2.03	ACUITE BB-/Stable (Upgraded)
	Bank Guarantee	Short term	0.25	ACUITE A4+ (Upgraded)
30-Oct-2018	Cash Credit	Long term	3.00	ACUITE B+/Stable (Assigned)
	Working Capital Term Loan	Long term	0.45	ACUITE B+/Stable (Assigned)
	Term Loan- I	Long term	0.19	ACUITE B+/Stable (Assigned)
	Term Loan- II	Long term	0.37	ACUITE B+/Stable (Assigned)
	Term Loan- III	Long term	0.08	ACUITE B+/Stable (Assigned)
	Proposed Bank Facility	Long term	1.53	ACUITE B+/Stable (Assigned)
	Bank Guarantee	Short term	0.25	ACUITE A4 (Assigned)

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE BB- (Withdrawn; Issuer not co-operating)
Working Capital Term Loan	Not Available	Not Available	Not Available	0.22	ACUITE BB- (Withdrawn; Issuer not co-operating)
Term Loan- I	Not Available	Not Available	Not Available	0.19	ACUITE BB- (Withdrawn; Issuer not co-operating)
Term Loan- II	Not Available	Not Available	Not Available	0.15	ACUITE BB- (Withdrawn; Issuer not co-operating)
Term Loan- III	Not Available	Not Available	Not Available	0.03	ACUITE BB- (Withdrawn; Issuer not co-operating)

Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	2.03	ACUITE BB- (Withdrawn; Issuer not co-operating)
Bank Guarantee	Not Available	Not Available	Not Available	0.25	ACUITE A4+ (Withdrawn; Issuer not co-operating)

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About Acuite Ratings & Research:

Acuite 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 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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