

Press Release

Ajanta Spintex Limited

February 14, 2020

Rating Update



Total Bank Facilities Rated*	Rs. 36.26 Cr. #
Long Term Rating	ACUITE D Downgraded; 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 D**' (read as **ACUITE D**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) on the Rs.36.26 crore bank facilities of Ajanta Spintex Limited (ASL). This rating is now an indicative rating and is based on best available information.

The downgrade is in view of persistent delays in servicing the debt obligation.

Ajanta Spintex Limited (ASL) is a Guntur based company incorporated in 2010. It is engaged in manufacturing of cotton yarn with spindle capacity of 24,200 spindles in the count range of 20's to 60's. The manufacturing facility is located at Kakani Village in Guntur District (Andhra Pradesh).

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.

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-61.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)

CRISIL, vide its press release dated February 26, 2019 had denoted the rating of AJANTA SPINTEX LIMITED as 'CRISIL B-/Stable (Issuer Not Cooperating; Rating Migrated)' on account of lack of adequate information required for monitoring of ratings.

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
06-Dec-2018	Cash Credit	Long Term	20.00	ACUITE BB- / Stable (Assigned)
	Term Loan	Long Term	16.26	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	20.00	ACUITE D (Downgraded from ACUITE BB-/Stable; Issuer not co-operating*)
Term Loan	Not Applicable	Not Applicable	Not Applicable	16.26	ACUITE D (Downgraded from ACUITE BB-/Stable; 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 Rating Tel: 022 49294041 aditya.gupta@acuite.in Simranjeet Kaur Analyst - Rating Operations Tel: 02249294052 simranjeet.kaur@acuite.in	Varsha Bist Manager - Rating Desk Tel: 022 49294011 rating.desk@acuite.in

About Acuité Ratings & Research:

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