

## Press Release

Ganga Spintex Limited

September 15, 2022



### Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	17.00	ACUITE B+   Reaffirmed   Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	17.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

### Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE B+**' (read as **ACUITE B plus**) on the Rs. 17.00 crore bank facilities of Ganga Spintex Limited (GSL). The rating continues to be flagged as "Issuer Not Cooperating" and is based on the best available information.

### About the Company

Ganga Spintex Limited (GSL) was incorporated in 2010 by Mr. Amar Nath, Mr. Parminder Kumar and Mr. Anil Goyal. GSL is engaged in the business of manufacturing cotton yarn. The company possesses 13000 spindles which has the capacity of producing 6500 kg per day. The company is based out of Mansa (Punjab).

### 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.

Acuite believes that information risk is a critical component in such ratings, and noncooperation 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.

### 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.

## **About the Rated Entity - Key Financials**

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

## **Rating Sensitivity**

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

## **Material Covenants**

Not Applicable

## **Liquidity Position**

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

## **Outlook**

Not Applicable

## **Other Factors affecting Rating**

None

## **Status of non-cooperation with previous CRA**

None

## **Any other information**

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

## **Applicable Criteria**

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

## **Note on Complexity Levels of the Rated Instrument**

<https://www.acuite.in/view-rating-criteria-55.htm>

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
28 Jun 2021	Term Loan	Long Term	3.00	ACUITE B+ ( Issuer not co-operating*)
	Cash Credit	Long Term	14.00	ACUITE B+ ( Issuer not co-operating*)
02 Apr 2020	Term Loan	Long Term	3.00	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	14.00	ACUITE B+ (Downgraded and Issuer not co-operating*)
29 Jan 2019	Cash Credit	Long Term	14.00	ACUITE BB-   Stable (Assigned)
	Term Loan	Long Term	3.00	ACUITE BB-   Stable (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Oriental Bank of Commerce	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	14.00	ACUITE B+   Reaffirmed   Issuer not co-operating*
Oriental Bank of Commerce	Not Applicable	Term Loan	Not available	Not available	Not available	3.00	ACUITE B+   Reaffirmed   Issuer not co-operating*

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### About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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