



Press Release

Axis Impex

December 04, 2024

Rating Downgraded, Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	5.75	ACUITE BB- Downgraded Issuer not co-operating*	-
Bank Loan Ratings	4.25	-	ACUITE A4+ Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	10.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

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

Rating Rationale

Acuite has downgraded the long-term rating to 'ACUITE BB-' (read as ACUITE double B minus) from 'ACUITE BB' (read as ACUITE double B) and reaffirmed the short-term rating of 'ACUITE A4+' (read as ACUITE A four plus) on the Rs. 10.00 Crore bank facilities of Axis Impex (AI) on account of information risk. The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

About the Company

Incorporated in 1995, Axis Impex is a partnership firm engaged in the manufacture and export of plastic insulated ware with an installed capacity of 4000 tonnes per annum. The day to day operations are managed by its partners, Mr. Velji Shah, Mr. Kanti Shah, Mr. Jitendra Shah and Mr. Rameshchandra Gada. It has its manufacturing unit in Vasai at Mumbai (Maharashtra). The products are exported to countries such as Middle East, Africa, Europe and Latin America.

Unsupported Rating

Not Applicable

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 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.

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.

Rating Sensitivity

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

Liquidity Position

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

Outlook

Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 20 (Actual)	FY 19 (Actual)
Operating Income	Rs. Cr.	41.63	38.93
PAT	Rs. Cr.	1.62	1.57
PAT Margin	(%)	3.89	4.03
Total Debt/Tangible Net Worth	Times	1.75	1.45
PBDIT/Interest	Times	4.37	4.17

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

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

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
08 Sep 2023	Letter of Credit	Short Term	1.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Bills Discounting	Short Term	3.25	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	1.50	ACUITE BB (Reaffirmed & Issuer not co-operating*)
	Proposed Long Term Bank Facility	Long Term	4.25	ACUITE BB (Reaffirmed & Issuer not co-operating*)
17 Jun 2022	Letter of Credit	Short Term	1.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Bills Discounting	Short Term	3.25	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	1.50	ACUITE BB (Reaffirmed & Issuer not co-operating*)
	Proposed Long Term Bank Facility	Long Term	4.25	ACUITE BB (Reaffirmed & Issuer not co-operating*)
08 Apr 2021	Bills Discounting	Short Term	3.25	ACUITE A4+ (Reaffirmed)
	Letter of Credit	Short Term	1.00	ACUITE A4+ (Reaffirmed)
	Cash Credit	Long Term	1.50	ACUITE BB Stable (Upgraded from ACUITE BB- Stable)
	Proposed Long Term Bank Facility	Long Term	4.25	ACUITE BB Stable (Upgraded from ACUITE BB- Stable)

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

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Union Bank of India	Not avl. / Not appl.	Bills Discounting	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	3.25	Simple	ACUITE A4+ Reaffirmed Issuer not co-operating*
Union Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.50	Simple	ACUITE BB- Downgraded Issuer not co-operating* (from ACUITE BB)
Union Bank of India	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.00	Simple	ACUITE A4+ Reaffirmed Issuer not co-operating*
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	4.25	Simple	ACUITE BB- Downgraded Issuer not co-operating* (from ACUITE BB)

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

Contacts

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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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