

## Press Release

### AMBALA COTSPIN PRIVATE LIMITED

November 11, 2019



#### Rating Withdrawn

<b>Total Bank Facilities Rated*</b>	Rs. 12.00 Cr.
<b>Long Term Rating</b>	ACUITE B Withdrawn

\* Refer Annexure for details

#### Rating Rationale

Acuité has withdrawn the long-term rating of '**ACUITE B**' (**read as ACUITE B**) on the Rs. 12.00 crore bank facilities of AMBALA COTSPIN PRIVATE LIMITED (ACPL).

The rating has been withdrawn on account of request received from the company and NOC received from the banker.

Incorporated in 2017, Ambala Cotspin Private Limited (ACPL) is Haryana based company engaged in business of processing cotton into cotton yarn. The day to day operations are managed by its directors, Satish Kumar, Nitin Garg, Tarun Garg, Thakar Dass and Surinder Kumar. The manufacturing unit is in Ambala, Haryana with installed capacity of 10 tonnes per day. Commercial operations started from February, 2018.

#### Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.htm>
- Financial Ratios and Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>

#### About the Rated Entity - Key Financials

	Unit	FY19 (Actual)	FY18 (Actual)
Operating Income	Rs. Cr.	25.80	0.29
EBITDA	Rs. Cr.	3.65	0.01
PAT	Rs. Cr.	0.02	-0.38
EBITDA Margin	(%)	14.14	3.14
PAT Margin	(%)	0.09	-132.03
ROCE	(%)	10.40	-6.62
Total Debt/Tangible Net Worth	Times	1.46	2.27
PBDIT/Interest	Times	2.39	0.09
Total Debt/PBDIT	Times	2.75	1071.21
Gross Current Assets (Days)	Days	114	3782

#### Status of non-cooperation with previous CRA (if applicable)

Not Applicable

#### Any other information

Acuité 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
11-Sept-2019	Cash Credit	Long Term	1.50	ACUITE B/Stable (Assigned)
	Term Loan	Long Term	8.25	ACUITE B/Stable (Assigned)
	Proposed Bank Facility	Long Term	2.25	ACUITE B/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/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	1.50	ACUITE B (Withdrawn)
Term Loan	Not Applicable	Not Applicable	Not Applicable	8.25	ACUITE B (Withdrawn)
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	2.25	ACUITE B (Withdrawn)

### Contacts

Analytical	Rating Desk
Aditya Gupta Head - Corporate and Infrastructure Sector Ratings Tel: 022-49294041 <a href="mailto:aditya.gupta@acuite.in">aditya.gupta@acuite.in</a>	Varsha Bist Manager - Rating Desk Tel: 022-49294011 <a href="mailto:rating.desk@acuite.in">rating.desk@acuite.in</a>
Saurabh Rane Analyst - Rating Operations Tel: 02249294044 <a href="mailto:saurabh.rane@acuite.in">saurabh.rane@acuite.in</a>	

### 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.

**Disclaimer:** An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuité ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuité ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website ([www.acuite.in](http://www.acuite.in)) for the latest information on any instrument rated by Acuité.