

## Press Release

Aaiswarya Dyeing Mills Private Limited

October 19, 2022



### Rating Downgraded, Reaffirmed and Issuer not co-operating

| Product                            | Quantum<br>(Rs. Cr) | Long Term Rating                                  | Short Term Rating                                  |
|------------------------------------|---------------------|---|--|
| Bank Loan Ratings                  | 4.10                | -   | ACUITE A4+   Reaffirmed   Issuer not co-operating* |
| Bank Loan Ratings                  | 55.90               | ACUITE BB   Downgraded   Issuer not co-operating* | -  |
| Total Outstanding Quantum (Rs. Cr) | 60.00               | -   | -  |
| Total Withdrawn Quantum (Rs. Cr)   | 0.00                | -   | -  |

### Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE BB**' (read as **ACUITE double B**) from '**ACUITE BB+**' (read as **ACUITE double B plus**) and reaffirmed the short term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs.60.00 crore bank facilities of Aaiswarya Dyeing Mills Private Limited. This rating continues to be an indicative rating and is based on the best available information.  
Downgraded on account of information risk.

### About the Company

Gujarat based, Aaiswarya Dyeing Mills Private Limited (ADMPL) was incorporated in 1993. The company is promoted by Mr. Rameshchandra Modi (Managing Director). The company is engaged in dyeing and printing of fabrics on job work basis used for making dress materials, sarees and shirts. The company has its manufacturing unit at Surat with an installed capacity of 8, 54,000 meters per day.

### 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.

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). 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.

### Rating Sensitivity

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

### Material Covenants

None

### Liquidity Position

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

### Outlook

Not Applicable

### Status of non-cooperation with previous CRA

ICRA, vide its press release dated Dec 18, 2018 had denoted the rating of Aaiswarya Dyeing Mills Private Limited as 'ICRA BBB+/Stable/ICRA A2; ISSUER NOT COOPERATING' on account of lack of adequate information required for monitoring of ratings.

### Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

### 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                                       |
|-------------|--------------------------------|------------|-----------------|--|
| 21 Jul 2021 | Letter of Credit               | Short Term | 4.00            | ACUITE A4+ (Downgraded and Issuer not co-operating*) |
|             | Cash Credit                    | Long Term  | 40.00           | ACUITE BB+ (Downgraded and Issuer not co-operating*) |
|             | Bank Guarantee                 | Short Term | 0.10            | ACUITE A4+ (Downgraded and Issuer not co-operating*) |
|             | Term Loan                      | Long Term  | 15.90           | ACUITE BB+ (Downgraded and Issuer not co-operating*) |
| 04 May 2020 | Bank Guarantee                 | Short Term | 0.10            | ACUITE A2 (Assigned)                                 |
|             | Cash Credit                    | Long Term  | 40.00           | ACUITE BBB+   Stable (Assigned)                      |
|             | Term Loan                      | Long Term  | 15.90           | ACUITE BBB+   Stable (Assigned)                      |
|             | Letter of Credit               | Short Term | 4.00            | ACUITE A2 (Assigned)                                 |

## Annexure - Details of instruments rated

| Lender's Name | ISIN           | Facilities                         | Date Of Issuance | Coupon Rate    | Maturity Date  | Quantum (Rs. Cr.) | Rating   |
|---------------|----------------|------------------------------------|------------------|----------------|----------------|-------------------|--|
| HDFC Bank Ltd | Not Applicable | Bank Guarantee/Letter of Guarantee | Not Applicable   | Not Applicable | Not Applicable | 0.10              | ACUITE A4+   Reaffirmed   Issuer not co-operating* |
| HDFC Bank Ltd | Not Applicable | Cash Credit                        | Not Applicable   | Not Applicable | Not Applicable | 40.00             | ACUITE BB   Downgraded   Issuer not co-operating*  |
| HDFC Bank Ltd | Not Applicable | Letter of Credit                   | Not Applicable   | Not Applicable | Not Applicable | 4.00              | ACUITE A4+   Reaffirmed   Issuer not co-operating* |
| HDFC Bank Ltd | Not Applicable | Term Loan                          | 28-02-2017       | Not available  | 31-01-2022     | 15.90             | ACUITE BB   Downgraded   Issuer not co-operating*  |

## Contacts

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|--|--|
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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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