



## Press Release

### Amartex Industries Limited August 24, 2023 Rating Withdrawn

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	19.21	Not Applicable   Withdrawn	-
Bank Loan Ratings	0.79	-	Not Applicable   Withdrawn
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	20.00	-	-

## Rating Rationale

Acuite has withdrawn the short term and the long rating on the Rs.20.00 crore bank facilities of Amartex Industries Limited (AIL).

The rating has been withdrawn on Acuite's policy of withdrawal of ratings. The rating has been withdrawn on account of the request received from the company, and the NDC received from the banker.

Since the loan availed by the company has been repaid, the rating has been withdrawn.

## About the Company

Chandigarh based, Amartex Industries Limited was incorporated on 27 January 1988. It is involved in manufacturing of wearing apparel, except fur apparel. Directors of Amartex Industries Limited are Varun Grover, Suresh Singh, Shivam Grover, Arun Grover. Company is engaged in manufacturing and retail segment. Company operates weaving, dying and a processing unit for manufacturing retail garments. At present the company operates a chain of 17 retail stores in the name of Amartex Family Mart in Himachal Pradesh, Haryana, Punjab and Chandigarh. Company sells readymade garments under the brand names of "Grovania - Italy" (Casual fashion), "Lil Saint", "Rajwadas" (Ethnic wear), "Meera" (Women Fashion) through its retail stores and "Amartex Uniform Fabrics" through channel sales.

## Analytical Approach

Not Applicable

## Key Rating Drivers

### Strengths

Not Applicable

### Weaknesses

Not Applicable

## Rating Sensitivities

Not Applicable

## Material covenants

Not Applicable

**Liquidity Position**

Not Applicable

**Outlook: Not Applicable**

**Other Factors affecting Rating**  
None

## Key Financials

Particulars	Unit	FY 22 (Actual)	FY 21 (Actual)
Operating Income	Rs. Cr.	73.26	55.23
PAT	Rs. Cr.	4.45	4.03
PAT Margin	(%)	6.08	7.29
Total Debt/Tangible Net Worth	Times	0.32	0.39
PBDIT/Interest	Times	4.35	3.14

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

Brickworks vide its press release dated 17th Nov 2022, had downgraded the company to BWR BB/Stable/A4; Issuer Not Cooperating.

Infomerics vide its press release dated 27th March 2023, had downgraded the company to BB/Negative; Issuer Not Cooperating.

## Any other information

None

## Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Trading Entity: <https://www.acuite.in/view-rating-criteria-61.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](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
22 Nov 2022	Proposed Bank Facility	Short Term	0.79	ACUITE A3 (Assigned)
	Cash Credit	Long Term	19.21	ACUITE BBB-   Stable (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
IDBI Bank Ltd.	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	19.21	Not Applicable   Withdrawn
Not Applicable	Not Applicable	Proposed Short Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	Simple	0.79	Not Applicable   Withdrawn

## Contacts

Analytical	Rating Desk
Aditya Gupta Vice President-Rating Operations Tel: 022-49294041 <a href="mailto:aditya.gupta@acuite.in">aditya.gupta@acuite.in</a>  Abhishek Singh Analyst-Rating Operations Tel: 022-49294065 <a href="mailto:abhishek.s@acuite.in">abhishek.s@acuite.in</a>	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 <a href="mailto:rating.desk@acuite.in">rating.desk@acuite.in</a>

### 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.

**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. Ratings assigned by Acuité 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. Ratings assigned by Acuité 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.