



Press Release

Aastha Spintex Private Limited

May 8, 2024

Ratings

Facilities/ Instruments	Amount (Rs. crore)	Current Ratings	Rating Action	Complexity Indicators
Long Term Bank Facilities	46.91	IVR B+; Negative, ISSUER NOT COOPERATING (IVR Double B Minus with Negative Outlook; ISSUER NOT COOPERATING)	Downgraded and continue under ISSUER NOT COOPERATING category	Simple
Long Term/ Short Term Bank Facilities	6.75	IVR A4, ISSUER NOT COOPERATING (IVR A Four; ISSUER NOT COOPERATING)	Reaffirmed and continue under ISSUER NOT COOPERATING category	Simple
	53.66 (Rs. Fifty Three Crore and Sixty Six lacs Only)			

**Issuer did not cooperate; based on best available information*

Details of Facilities are in Annexure 1

Detailed Rationale

The revision in the ratings assigned to the bank facilities of Aastha Spintex Private Limited reflects lack of adequate information available, non-payment of annual surveillance fees and the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy. The lender, investors and other market participants are thus advised to exercise appropriate caution while using this rating as this rating may not adequately reflect the credit risk profile of the entity.

Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide email communications dated March 18, 2024, March 28, 2024 and April 4, 2024 concurrently over several phone calls. However,



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despite the repeated requests by Infomerics, the company's management has not submitted the requested information for monitoring the rating.

Availability of information is very critical in the rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to review the rating based on the best available information. Accordingly, the rating for the bank facilities of Aastha Spintex Private Limited aggregating Rs.53.66 crore has been continue to remain under the 'ISSUER NOT COOPERATING' category by Infomerics.

Analytical Approach: Standalone

Applicable Criteria:

[Guidelines on what constitutes Non-Cooperation by Clients](#)

[Rating Methodology for Manufacturing Companies](#)

[Financial Ratios & Interpretation \(Non-financial Sector\)](#)

[Default Recognition Policy](#)

[Criteria for assigning outlook](#)

About the company

Aastha Spintex Private Limited (ASPL) was incorporated in 2013 by Mr. Vivek Patel and Mr. Divyang Gothi, in Gujarat. ASPL's manufacturing facility is located at Halvad, Morbi (Gujarat) and engaged in ginning and spinning of cotton yarn used for knitting and weaving. ASPL's installed capacity of 25,920 spindles and production capacity of 6,000 MTPA. The company has close proximity to source of its raw material and derives revenue mainly from export to countries like Europe, Latin America, China, etc.



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Financials (Standalone):

(Rs. crore)

For the year ended*	31-03-2018	31-03-2019
	(Audited)	(Audited)
Total Operating Income	184.66	198.70
EBITDA	20.19	16.93
PAT	4.72	2.54
Total Debt	72.97	67.90
Tangible Net worth	53.82	56.64
EBITDA Margin(%)	10.93	8.52
PAT Margin(%)	2.55	1.28
Overall Gearing Ratio (x)	1.64	1.42

*Classification as per Infomerics' standards,

Status of non-cooperation with previous CRA: Crisil Ratings and Acuite Ratings in their press release dated March 8, 2024 and March 14, 2023 respectively continue to classify the case under issuer not cooperating status on account of non-submission of relevant information

Any other information: Nil



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Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23 March 31 st 2023	Date(s) & Rating(s) assigned in 2021-22 (January 14, 2022)
1.	Term Loan	Long Term	25.48	IVR B+/ Negative (ISSUER NOT COOPERATING)	-	IVR BB- /Negative (ISSUER NOT COOPERATING)	IVR BB (ISSUER NOT COOPERATING)
2.	Cash Credit	Long Term	16.25	IVR B+/ Negative (ISSUER NOT COOPERATING)	-	IVR BB- /Negative (ISSUER NOT COOPERATING)	IVR BB (ISSUER NOT COOPERATING)
3.	EPC/Secured OD	Long Term/ Short Term	6.75	IVR A4 (ISSUER NOT COOPERATING)	-	IVR A4 (ISSUER NOT COOPERATING)	IVR A4 (ISSUER NOT COOPERATING)
4.	Proposed	Long Term	5.18	IVR B+/ Negative (ISSUER NOT COOPERATING)	-	IVR BB- /Negative (ISSUER NOT COOPERATING)	IVR BB (ISSUER NOT COOPERATING)

**Issuer did not cooperate; based on best available information*

Name and Contact Details of the Analytical department:

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About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks. Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit www.infomerics.com.

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.



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Annexure 1: Details of Facilities/ Instruments

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. crore)	Rating Assigned/ Outlook
Cash Credit	-	-	-	16.25	IVR B+; Negative ISSUER NOT COOPERATING*
Term Loan	-	-	August 2023	25.48	IVR B+; Negative ISSUER NOT COOPERATING*
EPC / Secured OD	-	-	-	6.75	IVR A4 ISSUER NOT COOPERATING*
Proposed Term Loan	-	-	-	5.18	IVR B+; Negative ISSUER NOT COOPERATING*

**Issuer did not cooperate; based on best available information*

Annexure 2: List of companies considered for consolidated analysis: Not Applicable

Annexure 3: Facility wise lender details: Not Applicable

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: