



## Press Release

**Aastha Spintex Private Limited**

**January 14, 2022**

### Ratings

Facilities	Amount (Rs. Crore)	Ratings	Rating Action	<a href="#">Complexity Indicator</a>
Long Term Bank Facilities	46.91	IVR BB, Issuer Not Co-operating * (IVR Double B under Issuer Not Co- operating)	Rating revised from IVR BB+/ Stable (IVR Double B Plus with Stable Outlook) and moved to Issuer Not Co-operating	Simple
Long Term/Short Term Bank Facilities	6.75	IVR A4, Issuer Not Co-operating * (IVR A Four under Issuer Not Co- operating)	Rating revised from IVR A4+ (IVR A Four Plus) and moved to Issuer Not Co-operating	Simple
<b>Total</b>	<b>53.66 (Fifty Three Crore and Sixty Six Lakhs Only)</b>			

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

### Detailed Rationale

The rating has been moved to issuer not cooperating because of lack of adequate information regarding performance of Aastha Spintex Private Limited and hence 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 users of this rating are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the company, despite the rating revision.



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### **Non-cooperation by Issuer**

Infomerics has been regularly following up with the company to provide the required data including FY2020 and FY2021 (Audited), results to monitor its assigned rating to the bank facilities, vide E-mail communications dated October 13, 2021, November 20, 2021, December 13, 2021, December 21, 2021, December 27, 2021, January 4, 2022 and January 7, 2022 concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details. Accordingly, the lenders, investors and other users of this rating are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the company.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics must assign the rating based on the best available information. Accordingly, the ratings for the bank loan facilities of Aastha Spintex Private Limited aggregating to Rs. 53.66 crore shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as IVR BB; Issuer Not Co-operating; Based on best available information and IVR A4; Issuer Not Co-operating; Based on best available information.

### **Analytical Approach & Applicable Criteria**

Standalone

[Rating Methodology for Manufacturing Companies.](#)

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

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

### **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):

For the year ended* / As On	(Rs. In Crore)	
	31-03-2019 (Audited)	31-03-2020 (Provisional)
Total Operating Income	184.66	198.70
EBITDA	20.19	16.93
PAT	4.72	2.54
Total Debt	72.97	67.90
Adjusted 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:

Vide Press release dated November 16, 2021 CRISIL has moved the ratings to non-cooperation category.

Vide Press release dated December 16, 2021 ACUITE has moved the ratings to non-cooperation category.

**Any other information:** Nil



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Rating History for last three years:

Sr. No.	Name of Instrument/ Facilities	Current Rating (Year 2021-22)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2020-21 (December 4, 2020)	Date(s) & Rating(s) assigned in 2019-20	Date(s) & Rating(s) assigned in 2018-19
1.	Term Loan	Long Term	25.48	IVR BB; Issuer Not Co-operating *	IVR BB+ (Stable)	-	-
2.	Cash Credit	Long Term	16.25	IVR BB Issuer Not Co-operating *	IVR BB+ (Stable)	-	-
3.	EPC/Secured OD	Long Term / Short Term	6.75	IVR A4 Issuer Not Co-operating *	IVR A4+	-	-
4.	Proposed	Long Term	5.18	IVR BB Issuer Not Co-operating *	IVR BB+ (Stable)		

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

**Note on complexity levels of the rated instrument:** Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at [www.infomerics.com](http://www.infomerics.com).



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### Name and Contact Details of the Rating Analyst:

Name: Mr. Nilesh Gupta

Tel: (022) 62396023

Email: [nilesh.gupta@infomerics.com](mailto:nilesh.gupta@infomerics.com)

Name: Mr. Prakash Kabra

Tel: (022) 62396023

Email: [prakash.kabra@infomerics.com](mailto:prakash.kabra@infomerics.com)

### About Infomerics:

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. It is gradually gaining prominence in domestic rating and/or grading space. Infomerics is striving for positioning itself as the most trusted & credible rating agency in the country and is gradually widening its product portfolio. Company's long experience in varied spectrum of financial services is helping it to fine tune its product offerings to best suit the market.

**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, suspend 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.

### Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Bank Facilities – Term Loan	-	-	August 2023	25.48	IVR BB; Issuer Not Co-operating *



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Long Term Bank Facilities – Cash Credit	-	-	-	16.25	IVR BB; Issuer Not Co-operating *
Long Term / Short Term Bank Facilities – EPC/Secured OD	-	-	-	6.75	IVR A4; Issuer Not Co-operating *
Long Term Bank Facilities – Proposed Loan	-	-	-	5.18	IVR BB; Issuer Not Co-operating *

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

### **Annexure 2: Facility wise lender details**

<https://www.infomerics.com/admin/prfiles/Aastha-Spintex-lenders-jan22.pdf>

**Annexure 3: List of companies considered for consolidated analysis: Not Applicable**

**Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable**

**Note on complexity levels of the rated instrument:** Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at [www.infomerics.com](http://www.infomerics.com).