



## Press Release

### Aastha Spintex Private Limited

March 31, 2023

#### Ratings

Facilities/ Instruments	Amount (Rs. crore)	Current Ratings	Rating Action	<a href="#">Complexity Indicators</a>
Long Term Bank Facilities	46.91	IVR BB-; Negative, ISSUER NOT COOPERATING (IVR Double B Minus with Negative Outlook; ISSUER NOT COOPERATING)	Revised 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
	<b>53.66 (Rs. Fifty Three Crore and Sixty Six lacs Only)</b>			

*\*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.



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

Infomerics has been regularly following up with the company to provide the required data & NDS to monitor its assigned rating to the bank facilities, vide mail communications dated February 1, 2023, February 9, 2023, and February 24, 2023 and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details/information for surveillance exercise.

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 \(Non-financial Sector\)](#)

[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 January 12, 2023 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

**Rating History for last three years:**

Sr. No.	Name of Instrument/Facilities	Current Ratings (Year 2022-23)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-22 (January 14, 2022)	Date(s) & Rating(s) assigned in 2020-21 (December 4, 2020)	Date(s) & Rating(s) assigned in 2019-20
1.	Term Loan	Long Term	25.48	IVR BB-; Negative ISSUER NOT COOPERATING	IVR BB (ISSUER NOT COOPERATING)	IVR BB+/Stable	-
2.	Cash Credit	Long Term	16.25	IVR BB-; Negative ISSUER NOT COOPERATING	IVR BB (ISSUER NOT COOPERATING)	IVR BB+/Stable	-
3.	EPC/Secured OD	Long Term/ Short Term	6.75	IVR A4 (ISSUER NOT	IVR A4 (ISSUER NOT COOPERATING)	IVR A4+	-



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				COOPERATING			
4.	Proposed	Long Term	5.18	IVR BB-; Negative ISSUER NOT COOPERATING	IVR BB (ISSUER NOT COOPERATING)	IVR BB+/Stable	-

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

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

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### About Infomerics:

Infomerics was founded in the year 1986 by a team of highly experienced and knowledgeable finance professionals. Subsequently, after obtaining Securities Exchange Board of India registration and RBI accreditation and the activities of the company are extended to External Credit Assessment Institution (ECAI).

Adhering to best International Practices and maintaining high degree of ethics, the team of knowledgeable analytical professionals deliver credible evaluation of rating.

Infomerics evaluates wide range of debt instruments which helps corporates open horizons to raise capital and provides investors enlightened investment opportunities. The transparent, robust and credible rating has gained the confidence of Investors and Banks.

Infomerics has a pan India presence with Head Office in Delhi, branches in major cities and representatives in several locations.

For more information visit [www.infomerics.com](http://www.infomerics.com)



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**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.

### Annexure 1: Details of Facilities

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

**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).