



## Rating Rationale

Ainaj Industries

21 Sept 2020

Brickwork Ratings has reviewed the Rating for the Bank Loan facilities of ₹ 17.00 Crore of Ainaj Industries based on best available information, as the issuer did not cooperate.

### Particulars :

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (June-2018)	Present
Fund Based	17.00	17.00	Long Term	BWR B+ Reaffirmed Outlook: Stable	BWR B (Stable) [Downgraded] Issuer not cooperating *
<b>Total</b>	<b>17.00</b>	<b>17.00</b>	<b>INR Seventeen Crores Only</b>		

# Please refer to BWR website [www.brickworkratings.com/](http://www.brickworkratings.com/) for the definition of the ratings

\* Issuer did not cooperate, based on best available information.

Details of Bank facilities are provided in Annexure-I&II

### NATURE OF NON-COOPERATION

The rating was due for a review in **June-2019**. BWR took up with the client to provide the required information over emails and through telephone calls. Despite the best efforts of BWR to get at least the minimum required information for a review, the entity has not provided the same. In the absence of adequate information/NDS (No Default Statements) from the Company on a regular basis, BWR is unable to assess the Company's financial performance and its ability to service its debt and maintain a valid rating.

Hence, on account of inadequate information and lack of management cooperation, Brickworks Ratings has downgraded the rating to BWR B (Stable) and categorized the ratings as "Issuer Not Cooperating".

### LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, non-cooperation by the rated entities to provide the required information for a review of the assigned rating may also be accompanied by financial stress. Users of the credit rating should, therefore, take into account the possible deterioration in the credit quality of the rated entity arising from its non-transparency and withholdings of the information required for a review of the rating.



**COMPANY PROFILE (Information as available in June-2018)**

M/s Ainaj Industries established in 1997 and based at Radhanpur,Gujarat , was set up as a partnership firm by Mr Dayar Thakkar, Mr Vasant Thakkar , Mr Suresh Thakkar, & Mr Rajesh Thakkar. In 2010, four partners withdrew their capital and it was reconstituted as a proprietorship firm of Mr Suresh Thakkar.The firm is engaged in cotton ginning and pressing with its sole manufacturing facility at installed capacity of 36000 Tonnes Per Annum for cotton bales and 3000 tonne per annum for cotton oil.

**NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: Not Applicable**

**RATING HISTORY FOR THE PREVIOUS THREE YEARS [including withdrawal and suspended]**

S.No	Facility	Current Rating (2020)^			Rating History		
		Type	Amount (₹ Crs)	Rating	30 Sep 2019#	28June2018	12 July 2017
1	Fund Based	Long Term	17.00	BWR B (Stable) [Downgraded] Issuer not cooperating *	NA	BWR B+ Reaffirmed Outlook: StableNA	BWR B+  Outlook: Stable
<b>Total</b>			17.00	<b>INR Seventeen Crores Only</b>			

\* Issuer did not cooperate, based on best available information.

# TheRating not reviewed advisory issued on 30 Sep 2019.

**COMPLEXITY LEVELS OF THE INSTRUMENTS**

For more information, visit [www.brickworkratings.com/download/ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf)

For any other criteria obtain hyperlinks from the website

- General Criteria
- What constitutes Non- cooperation

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*Ainaj Industries*

**ANNEXURE I**

**Details of Bank Facilities rated by BWR**

Sl.No.	Name of the Bank	Type of Facilities	Long Term (₹ Cr)	Total (₹ Cr)
1	Dena Bank	Fund Based	17.00	17.00
		<b>Total</b>	<b>17.00</b>	<b>17.00</b>

**Total ₹ Seventeen Crores Only**

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BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations.

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