

RATING RATIONALE

6 May 2020

Amitoj Textiles Limited

Brickwork Ratings Revises the ratings for the Bank Loan Facilities of ₹. 10.20. Crores of Amitoj Textiles Limited based on best available information, as the issuer did not cooperate.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (May,2017)	Present
Fund based Cash Credit Term Loan	8.00 2.20	8.00 2.20	Long Term	BWR B+/Stable (Assigned)	BWR B/Stable (Downgrade) 'Issuer Not Cooperating'
Total	10.20	10.20	INR Ten Crore Twenty Lakh Only		

Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

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

Details of Bank facilities/NCD/Bonds/Commercial Paper is provided in Annexure-I&II

RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

The Bank Loan Rating of the company is downgraded to B/ Stable under Issuer Not Cooperating category.

BWR had rated Bank Loan facilities amounting to Rs. 10.20 Cr of M/s Amitoj Textiles Limited on 09 May 2017. The rating assigned was BWR B+/Stable.

The rating was due for review in May,2018. However, on non receipt of adequate information,it was moved to Rating Not Reviewed category on 10 Aug 2018. BWR took up with the issuer to provide required information over emails and through telephone calls. Monthly No Default Statement (NDS) is also not being submitted by the company. Despite the best efforts of BWR to get at least the minimum required information for a review, the entity has not provided the same. Banker's feedback regarding the conduct of account is also not available.In the absence of adequate information from the issuer, BWR is unable to assess the Company's financial performance and its ability to service its debt and maintain a valid rating.

LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, noncooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress.

KEY FINANCIAL INDICATORS (in ₹ Cr) [AS AVAILABLE WITH BWR]

Key Parameters	Units	FY15	FY14
Result Type		Audited	Audited
Revenue	Crs	16.61	12.10
EBITDA	Crs	0.60	0.45
PAT	Crs	0.08	0.04
Tangible Net Worth	Crs	1.12	0.37
TD/TNW	Times	2.16	3.72
Current Ratio	Times	1.30	1.08

COMPANY PROFILE [AS AVAILABLE WITH BWR]

Ludhiana-based Amitoj Textiles Ltd. (ATL) is a public limited company incorporated in 2012. The company acquired Amitoj Trading Company which dealt in trading of textile products in September 2016. ATL was initially engaged in trading of textile products, but the company has recently entered into manufacturing segment for which they have obtained machinery under TUFS subsidy to manufacture velour fabric, knitted fabric, terry towel, fancy frill, and knitted sweaters. .

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY : NIL

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

Instrument / Facilities	Current Rating			Rating History		
	Tenure (Long Term/ Short Term)	Amount (₹ Cr)	Rating	2019	2018	09 May 2017
Fund Based	Long Term	10.20	BWR B/Stable (Downgrade) 'Issuer Not Cooperating'	-	-	BWR B+ /Stable (Assigned)
Total		10.20	INR Ten Crore Twenty Lakh Only			

COMPLEXITY LEVELS OF THE INSTRUMENTS

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

[General Criteria](#)

[What Constitutes Non Cooperation](#)

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ANNEXURE I

Amitoj Textiles Limited

Details of Bank Facilities rated by BWR

Sl.No.	Name of the Bank	Type of Facilities	Long Term [₹ Cr]	Short Term [₹ Cr]	Total [₹ Cr]
1	Andhra Bank	Cash Credit	8.00	0.00	8.00
2		Term Loan	2.20	0.00	2.20
TOTAL INR Ten Crore Twenty Lakh Only					10.20



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