May 06, 2022

Banswara Syntex Limited: Ratings Withdrawn

Summary of rating action

Instrument^	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Medium-Term Fixed Deposit	30.00	30.00	MB+(positive); Rating Withdrawn
Total	**30.00**	**30.00**	

^Instrument details are provided in Annexure-1

Rationale

ICRA has withdrawn the rating assigned to the Medium Term Fixed deposits of **Banswara Syntex Limited** (BSL) that was placed on notice for withdrawal for a period for one month, based on the No Objection Certificate/No Due Certificate received from the Banker and in accordance with ICRA's policy on withdrawal and suspension. However, ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed. The Key Rating Drivers, Key Financial Indicator, Liquidity Position, Rating Sensitivities, and the related instruments are being withdrawn. The previous detailed rating rationale is available at the following link: Click Here

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA Policy on Withdrawal and Suspension of Credit Ratings Corporate Credit Rating Methodology
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

BSL is a vertically integrated textile mill, which manufactures synthetic blended yarn, wool and wool mixed yarn, fabrics, and readymade garments and made-ups. It was incorporated in 1976 as a joint sector company between RIICO Ltd. (Government of Rajasthan Undertaking) and Mr. R. L. Toshniwal. In 1982, Mr. Toshniwal purchased the shares from RIICO. BSL is a public limited company, with the promoters having a 58.87% shareholding as on December 31, 2020. Its manufacturing facilities are located at Banswara (spinning, weaving and dying) in Rajasthan, and in Daman and Surat (garmenting).

Status of non-cooperation with previous CRA: NA

Any other information: None

Rating history for past three years

S.NO	Instrument	Current Rating (FY2023)					Chronology of Rating History for the past 3 years						
		Type	Amount Rated (Rs. crore)	Amount Outstanding	Date & Rating in		Date & Rating in 2022		Date & Rating in 2021			Date & Rating in 2020	
					May 06, 2022	Apr 07, 2022	Nov 24, 2021	Nov 16, 2021	Feb 26, 2021	Sep 25, 2020	May 18, 2020	Sep 17, 2019	Sep 10, 2019
1	Fixed Deposit	Medium-Term	30.00	-	MB+ (Positive); Withdrawn	MB+ (Positive); Put on notice for withdrawal for 1 month	MB+(Positive)	MB+ (Positive) Issuer Not Cooperating	MB+ (Positive)	MB+ (Stable)	MA- (Negative)	MA- (Stable)	-
2	Domestic/ Export Credit Facility	Long -term	-	-	-	[ICRA]BBB- (Positive); Withdrawn	[ICRA]BBB- (Positive),	[ICRA]BBB- (Positive) Issuer Not Cooperating	[ICRA]BBB- (Positive)	[ICRA] BBB- (Stable)	[ICRA] BBB (Negative)	[ICRA]BBB (Stable)	[ICRA]BBB (Stable)
3	Term Loan	Long -term	-	-	-	[ICRA]BBB- (Positive); Withdrawn	[ICRA]BBB- (Positive)	[ICRA]BBB- (Positive) Issuer Not Cooperating	[ICRA]BBB- (Positive)	[ICRA] BBB- (Stable)	[ICRA]BBB (Negative);	[ICRA]BBB (Stable)	[ICRA]BBB (Stable)
4	Letter of Credit/ Bank Guarantee	Long - term/ Short-term	-	-	-	[ICRA] A3; Withdrawn	[ICRA] A3	[ICRA] A3 Issuer Not Cooperating	[ICRA] A3	[ICRA] A3	[ICRA] A3+	[ICRA]A3+	[ICRA] A3+
5	Unallocated	Long - term/ Short-term	-	-	-	[ICRA]BBB- (Positive)/ [ICRA]A3 Withdrawn	[ICRA]BBB- (Positive)/ [ICRA]A3	[ICRA]BBB- (Positive)/ [ICRA]A3 Issuer Not Cooperating	[ICRA]BBB- (Positive)/ [ICRA]A3	[ICRA] BBB- (Positive) / [ICRA]A3	-	-	

Complexity level of the rated instrument

Instrument	Complexity Indicator
Fixed Deposit	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: www.icra.in

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs Crore)	Current Rating and Outlook
NA	Fixed Deposit	NA	9-9.5%	NA	30.00	MB+(Positive); Withdrawn

Source: Banswara Syntex Limited

Annexure-2: List of entities considered for consolidated analysis: Not Applicable

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

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