

July 07, 2017

Anjani Synthetics Limited

Summary of rated instruments

Instrument*	Rated Amount (in crore)	Rating Action
Fund-based limits	77.00	[ICRA]BBB- (Stable); Withdrawn
Non-fund-based limits	3.00	[ICRA]A3; Withdrawn
Unallocated Limits	3.75	[ICRA]BBB- (Stable); Withdrawn
Total	83.75	

*Instrument details are provided in Annexure-1

Rating action

ICRA has withdrawn the long-term rating of [ICRA]BBB- (pronounced ICRA triple B minus)¹ outstanding on the Rs. 65.00-crore² cash credit facility, Rs. 12.00 crore term loan and Rs. 3.75-crore unallocated limits of Anjani Synthetics Limited (ASL or the company). ICRA has also withdrawn the short-term rating of [ICRA]A3 (pronounced ICRA A three) outstanding on the Rs. 3.00 crore letter of credit facility of ASL.

Rationale

The long-term and short-term ratings assigned to Anjani Synthetics Limited have been withdrawn at the request of the company based on the no objection certificate provided by its banker.

Key rating drivers: Not applicable

Description of key rating drivers: Not applicable

Analytical approach: For arriving at the ratings, ICRA has applied its rating methodologies as indicated below.

Links to applicable criteria:

[Corporate Credit Ratings: A Note on Methodology](#)

About the company:

Incorporated in 1984, Anjani Synthetics Limited (ASL) is a grey fabric processor with its processing facility located at Ahmedabad, Gujarat. It has a total installed capacity for processing 60 million meters of grey fabric per annum. The company is engaged in the business of processing and finishing activity on a range of fabrics including dress material, suiting material and home furnishing. ASL carries out printing and dyeing of synthetic grey fabric for direct sales as well as on job work basis. Additionally, ASL is also involved in trading of cotton, grey cloth and synthetic yarns. ASL is promoted by the Agarwal family and is listed on the Bombay Stock Exchange (BSE).

¹ For complete rating scale and definitions, please refer to ICRA's website www.icra.in or other ICRA Rating Publications

² 100 lakh = 1 crore = 10 million

Table: Key Financial Indicators

Key Ratios	FY2016	FY2017
Operating income (Crores)	399.7	369.6
PAT (Crores)	3.7	3.1
OPBDIT/ OI (%)	5.0%	5.3%
RoCE (%)	12.3%	10.3%
Total Debt/ TNW (times)	2.3	1.9
Total Debt/ OPBDIT (times)	4.9	4.7
Interest Coverage (times)	1.9	2.3
NWC/OI (%)	28%	29%

Source: Financial statements of ASL and ICRA research

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years:

Table:

S. No.	Instrument				Current Rating (FY2018)	Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs. Crore)	Amount Outstanding (Rs Crore)		Date & Rating	Date & Rating in FY2017	Date & Rating in FY2016
					July 2017	-	December 2015	December 2014
1	Cash Credit	Long Term	65.00	N.A.	[ICRA]BBB-(Stable); Withdrawn	-	[ICRA]BBB-(Stable)	[ICRA]BBB-(Stable)
2	Term Loan	Long Term	12.00	N.A.	[ICRA]BBB-(Stable); Withdrawn	-	[ICRA]BBB-(Stable)	[ICRA]BBB-(Stable)
3	Long Term unallocated	Long Term	3.75	N.A.	[ICRA]BBB-(Stable); Withdrawn	-	[ICRA]BBB-(Stable)	[ICRA]BBB-(Stable)
4	Letter of Credit	Short Term	3.00	N.A.	[ICRA]A3; Withdrawn	-	[ICRA]A3	[ICRA]A3

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1
Instrument Details

Instrument	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. Crore)	Current Rating
Cash Credit	-	-	-	65.00	[ICRA]BBB- (Stable); Withdrawn
Term Loan	September 2015	-	March 2021	12.00	[ICRA]BBB- (Stable); Withdrawn
Long Term Unallocated	-	-	-	3.75	[ICRA]BBB- (Stable); Withdrawn
Letter of Credit	-	-	-	3.00	[ICRA]A3; Withdrawn

Source: Sanction letter

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