

AI Champdany Industries Limited

June 18, 2024

Facilities	Amount (₹ crore)	Rating ¹	Rating Action
Long-term bank facilities	27.38 (Reduced from 33.98)	CARE D	Rating removed from ISSUER NOT COOPERATING category and Reaffirmed
Short-term bank facilities	7.77 (Reduced from 32.00)	CARE D	Rating removed from ISSUER NOT COOPERATING category and Reaffirmed

Details of facilities in Annexure-1.

Rationale and key rating drivers

In the absence of minimum information required for the purpose of rating, CARE Ratings Limited (CARE) was unable to express an opinion on the rating of AI Champdany Industries Limited (AICIL) and in line with the extant SEBI guidelines, CARE had moved the rating of the bank facilities of the company to 'CARE D; Issuer Not Cooperating'.

However, the company has now submitted the requisite information to CARE. Accordingly, CARE has carried out a full review of the rating and the rating has been removed from Issuer not cooperating category and reaffirmed at 'CARE D'.

The rating assigned to the bank facilities of AICIL is constrained by delay in debt servicing of its GECL loans

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Default track free record of more than 90 days.

Analytical approach: Standalone

Outlook: Not Applicable

Detailed description of the key rating drivers

Key weaknesses

Delay in debt servicing: There have been several instances of delay in debt servicing in its GECL loans in recent past.

Liquidity: Poor

Liquidity profile of the company is poor marked by several instances of delay in debt servicing of GECL loan.

Applicable criteria

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

[Financial Ratios – Non financial Sector](#)

[Withdrawal Policy](#)

[Short Term Instruments](#)

About the company and industry

Industry classification

Macro Economic Indicator	Sector	Industry	Basic Industry
Consumer Discretionary	Textiles	Textiles & Apparels	Other Textile Products

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

AICIL, incorporated in 1873, was taken over by Kolkata-based Wadhwa group from James Finlay & Co., U.K in 1967. The company is engaged in manufacturing and selling of jute products (sacking bags, hessian cloth, furnishing items, etc) used in packaging of food grains, carpet industry, furniture, etc., at its units in West Bengal. The company exports a wide range of value-added products (geo textile, webbing, yarn and flax fibre) which commands premium in the international market.

At present, the company has three operational mills i.e., Wellington Jute mill, Jagaddal mill and Rishra Mill. Wellington Jute Mill has resumed operation from March 12, 2024, after 3 years, as it had to be closed due to labour unrest. It has a production capacity of 100 tonnes per day. Jagaddal and Rishra mills have a production capacity of 20 tonnes per day each.

Brief Financials (₹ crore)	March 31, 2022 (A)	March 31, 2023 (A)	9MFY24 (UA)
Total operating income	41.02	47.19	35.10
PBILDT	-5.80	-40.68	-0.23
PAT	-3.06	14.95	1.58
Overall gearing (times)	3.69	2.51	NA
Interest coverage (times)	-0.99	-6.42	NA

A: Audited UA: Unaudited; NA: Not Available; Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating history for last three years: Please refer Annexure-2

Covenants of rated instrument / facility: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	27.38	CARE D
Non-fund-based - ST-BG/LC		-	-	-	7.77	CARE D

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Cash Credit	LT	27.38	CARE D	-	-	1)CARE D; ISSUER NOT COOPERATING* (30-Mar-23)	1)CARE D (29-Mar-22) 2)CARE D (22-Apr-21)
2	Non-fund-based - ST-BG/LC	ST	7.77	CARE D	-	-	1)CARE D; ISSUER NOT COOPERATING* (30-Mar-23)	1)CARE D (29-Mar-22) 2)CARE D

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
								(22-Apr-21)

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

LT: Long term; ST: Short term;

Annexure-3: Detailed explanation of covenants of the rated instruments/facilities: Not Applicable

Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Non-fund-based - ST-BG/LC	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on the complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

Contact us

Media Contact Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in	Analytical Contacts Arindam Saha Director CARE Ratings Limited Phone: +91-033- 40181631 E-mail: arindam.saha@careedge.in
Relationship Contact Ankur Sachdeva Senior Director CARE Ratings Limited Phone: 91 22 6754 3444 E-mail: Ankur.sachdeva@careedge.in	Kamal Mahipal Assistant Director CARE Ratings Limited Phone: +91-033- 40181628 E-mail: kamal.mahipal@careedge.in
	Tridib Kundu Analyst CARE Ratings Limited E-mail: Tridib.Kundu@careedge.in

About us:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

Disclaimer:

The ratings issued by CARE Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings has based its ratings/outlook based on information obtained from reliable and credible sources. CARE Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating/outlook assigned by CARE Ratings is, inter-alia, based on the capital deployed by the partners/proprietors and the current financial strength of the firm. The ratings/outlook may change in case of withdrawal of capital, or the unsecured loans brought in by the partners/proprietors in addition to the financial performance and other relevant factors. CARE Ratings is not responsible for any errors and states that it has no financial liability whatsoever to the users of the ratings of CARE Ratings. The ratings of CARE Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades.

**For the detailed Rationale Report and subscription information,
please visit www.careedge.in**