



Rating Rationale

AB Cotspin India Ltd

31 Aug 2018

Brickwork Ratings has reviewed the Rating for the Bank Loan facilities of ₹ 36.75 Crs. of AB Cotspin India Ltd based on best available information, as the issuer did not cooperate. Accordingly the rating for the said instrument is as under:

Particulars

Facility	Previous Limit	Current Limit	Tenure	Rating	
				Previous (Mar, 17)	Present
Cash Credit	18.00	18.00	Long Term	BWR BB+ (Pronounced as Double B Plus) Outlook: Stable	Issuer did not Cooperate; Based on best available information BWR BB (Pronounced as BWR Double B) (Outlook: Negative) (Downgraded)
Term Loan	17.75	17.75			
ILG	1.00	1.00	Short Term	BWR A4+ (Pronounced as Single A Four Plus)	Issuer did not Cooperate; Based on best available information BWR A4 (Pronounced as BWR Single A Four) ((Downgraded)
Total	36.75	36.75	Rupees Thirty Six Crore Seventy Five Lakhs only		

*Please refer to BWR website www.brickworkratings.com/ for definition of the ratings
Issuer did not cooperate; based on best available information*

Ratings: Downgraded

Nature of Non-cooperation: The rating was due for a review in March, 2018. BWR took up with the issuer to provide required information over emails. 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 from the issuer/Company, BWR is unable to assess the issuer's/ 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, non co-operation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress.

About the Company

Originally incorporated in 1997 as Ganga Cottex Ltd, the company was subsequently acquired by A B Cotspin India Ltd in Oct 2010. Presently, the company is managed by Mr. Rahul Goyal and Mr. Piyush Kansal. The company is based in Bathinda, Punjab and is engaged in the manufacturing of cotton yarn and knitted fabric. ACIL has installed 24 ginning machines with a capacity of 200 bales per day, 18000 spindles with a capacity of 17MT of yarn per day and 6 circular knitting machines with a capacity of 3000 kg of cloth per day.

Rating History for the last four years (including withdrawn/suspended ratings)

Facility	Tenure	Rating Assigned (2018)		Rating History		
		Amount (Rs. Crs)	Rating	2017	2016	2015
Fund Based: Cash Credit	Long Term	18.00	Issuer Non-Cooperation BWR BB (Outlook: Negative) (Downgraded)	BWR BB+	BWR BB	BWR BB
Term Loan		17.75				
Non Fund Based: ILG	Short Term	1.00	Issuer Non Cooperation BWR A4 (Pronounced as Single A Four) (Downgraded)	BWR A4+	-	-
Total		36.75	Rupees Thirty Six Crore Seventy Five Lakhs only			

Status of non-cooperation with previous CRA (if applicable)-NA

Any other information: NA

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [What Constitutes Non-Cooperation](#)



For any other criteria obtain [hyperlinks](#) from website

Note: As per information available with BWR

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For print and digital media

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Note on complexity levels of the rated instrument:

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at www.brickworkratings.com/download/ComplexityLevels.pdf Investors queries can be sent to info@brickworkratings.com.

About Brickwork Ratings

Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a leading public sector bank, as its promoter and strategic partner.

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. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 11,99,663 Cr. In addition, BWR has rated over 6819 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹48,803 Cr have been rated.

BWR has rated over 30 PSUs/Public Sector banks, as well as many major private players. BWR has a major presence in ULB rating of nearly 102 cities

DISCLAIMER

Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented “as is” without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.