

**RATING RATIONALE**

11 Sept 2020

**ABHIMAANI PUBLICATIONS LTD.**

Brickwork Ratings has reviewed the Rating for the Bank Loan facilities of ₹ 23.50 Crore of Abhimaani Publications Ltd. based on best available information, as the issuer did not cooperate.

**Particulars :**

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous	Present
				Sep 2015	
Fund Based	18.50	18.50	Long Term	BWR BB-Stable	BWR B Stable (Downgraded) Issuer Not Cooperating*
Non Fund Based	5.00	5.00	Short Term	BWR A4	BWR A4 (Reaffirmed) Issuer Not Cooperating*
<b>Total</b>	<b>23.50</b>	<b>23.50</b>	<b>INR Twenty Three Crores and Fifty Lakhs Only</b>		

#Please refer to BWR website [www.brickworkratings.com/](http://www.brickworkratings.com/) for definition of the ratings

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

Details of Bank facilities is provided in Annexure - I

**RATING ACTION/OUTLOOK/NATURE OF NON-COOPERATION**

In view of the non-availability of the information and lack of cooperation from the company, Brickwork Ratings has downgraded and migrated the long term rating to ‘BWR B/Stable ; Issuer Not Cooperating’ and reaffirmed and migrated the short term rating to ‘BWR A4 ; Issuer Not Cooperating’ for the bank loan facilities amounting **Rs. 23.50 Crores of Abhimaani Publications Ltd.**

The lenders/investors may note to exercise due caution while using the above ratings which mentions "**Issuer Not Cooperating**" since the ratings lack any projections or forward looking component as it is arrived based on the best available information without any management/banker's interaction.

The rating was due for a review in September, 2016. BWR took up with the company to provide required information over emails and through telephone calls. 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, 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, non-cooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress. Users of the credit rating should therefore take into account possible deterioration in the credit quality of the rated entity arising from its non-transparency withholding of information required for a review of the rating.

#### **COMPANY PROFILE (Information as available in September, 2015)**

Abhimaani Publications Ltd (APL) is a Bengaluru based Publishing House incorporated in March 1988. Abhimaani Publications Ltd is a part of Abhimaani Group of industries, which includes 'Abhimaani Vasathi' a business class hotel in Bengaluru, 'Abhi Vivaha' a convention hall in Bengaluru and Abimaani Concrete and Allied products, Bengaluru.

APL has state-of-the-art facilities including a Prepress and two Printing units in Rajajinagar and Peenya Industrial Estate, Bengaluru. It provides one-stop solutions for an entire range of printing jobs. APL is engaged in printing of books, newspapers, calendars, diaries, corporate brochures, posters, folders, leaflets and magazines.

It also provides services like designing, typesetting, high-quality scanning, image manipulation, sheet fed offset printing, heatset and coldset web offset printing, automated binding, finishing and distribution. The Company exports printed text books and stationery through the Ministry of Education ( aided by the World Bank) to West Africa, the Middle East and Australia. APL publishes Ee Sanje Kannada evening daily newspaper and Aragini Kannada film tabloid. APL realizes ~80% of revenue from the Government of Karnataka. Karnataka Text book Society, Dept. Of Health & Family Welfare Services, Department of Primary and Secondary Education of Karnataka and some PSU banks are the key customers of the company.

**NON-COOPERATION WITH PREVIOUS RATING AGENCY :** CRISIL has moved the ratings of the company 'Abhimaani Publications Limited' to Issuer Non Cooperation category with ratings of 'CRISIL B+/Stable (ISSUER NOT COOPERATING)' & 'CRISIL A4 (ISSUER NOT COOPERATING)' to the bank loan facilities of Rs. 20.00 Crores on 29 June 2020.

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

Facility	Current Rating (2020)			Rating History <sup>^</sup>		
	Type	Amount (₹ Cr)	Rating	2019	2018	2017
Fund Based	Long Term	18.50	BWR B Stable (Downgraded) Issuer Not Cooperating*	Nil	Nil	Nil
Non Fund Based	Short Term	5.00	BWR A4 (Reaffirmed) Issuer Not Cooperating*	Nil	Nil	Nil
<b>Total</b>		<b>23.50</b>	<b>INR Twenty Three Crores and Fifty Lakhs Only</b>			

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

<sup>^</sup> Initial rating of ‘BWR BB-/Stable & BWR A4’ was assigned to the Bank Loan facilities of Rs. 23.50 Crores of Abhimaani Publications Ltd. on 30 September 2015.

**COMPLEXITY LEVELS OF THE INSTRUMENTS**

For more information, visit [www.brickworkratings.com/download/ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf)

**Hyperlink/Reference to applicable Criteria**

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

For any other criteria obtain hyperlinks from website

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**Annexure I**

**Abhimaani Publications Ltd.  
Details of Bank Loan Facilities rated by BWR**

Sl.No.	Name of the Bank	Type of Facility	Long Term [Rs. Crs]	Short Term [Rs. Crs]	Total [Rs. Crs]
1	Andhra Bank	Open Cash Credit	14.50	-	14.50
		Bank Guarantee	-	4.00	4.00
2	Karnataka State Financial Corporation (KSFC)	Term Loan	5.00	-	5.00
<b>TOTAL</b>					<b>23.50</b>

**Total Rupees Twenty Three Crores and Fifty Lakhs Only**

**For print and digital media** The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

**About Brickwork Ratings :** Brickwork Ratings (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by Reserve Bank of India [RBI], offers credit ratings of Bank Loan, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has rated over 11,400 medium and large corporates and financial institutions' instruments. BWR has also rated NGOs, Educational Institutions, Hospitals, Real Estate Developers, Urban Local Bodies and Municipal Corporations. BWR has Canara Bank, a leading public sector bank, as one of the promoters and strategic partners. 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.

**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.