



RATING RATIONALE

11 May 2020

Alamelu Balaji Spinning Mills Private Limited

Brickwork Ratings Revises the ratings for the Bank Loan Facilities of ₹19.25 Crores of Alamelu Balaji Spinning Mills Private Limited based on best available information, as the issuer did not cooperate.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (May 2017)	Present
Fund Based	18.85	18.85	Long Term	BWR B- Outlook: Stable	BWR C Issuer Not Cooperating* (Downgraded)
Non Fund Based	0.40	0.40	Short Term	BWR A4	BWR A4 Issuer Not Cooperating* (Reaffirmed)
Total	19.25	19.25	INR Nineteen Crores and Twenty 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.

Details of Bank facilities is provided in Annexure-I

NATURE OF NON-COOPERATION

Brickwork Ratings downgraded the ratings for the bank loan facilities of ₹19.25 Crs of Alamelu Balaji Spinning Mills Private Limited to BWR C/ A4 Issuer Not Cooperating, based on best available information.

BWR took up with the issuer to provide the required complete information over emails. Despite the best efforts of BWR to get at least the minimum required information for a review, the Company has not provided the same. In the absence of adequate information from the issuer, BWR is unable to assess the issuer's financial performance and its ability to service its debt and maintain a valid rating. Hence on account of inadequate information and lack of management cooperation, BWR has placed the rating under the category of Issuer Not Cooperating.

LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, noncooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress.



KEY FINANCIAL INDICATORS

The company has not provided financial statements in the last two years.

About the Company

Alamelu Balaji Spinning Mills Private Limited (“ABSMPL” / “the Company”), was initially established as a partnership firm in the name of M/s Balaji Spinning Mills in April 1991 at Annur, Coimbatore. Subsequently, on December 22, 1995, the firm was converted to a private limited company under the present name. The company is primarily engaged in the production and trading of Cotton yarn. ABSMPL has two spinning facilities in Annur, Coimbatore with a combined installed capacity of 20,000 spindles and 1440 rotors. The company produces yarn with counts ranging from 10s to 80s primarily catering to the domestic market in Tamil Nadu, New Delhi, Kolkatta and Maharashtra.

NON-COOPERATION WITH PREVIOUS RATING AGENCY: CRISIL B/ Stable Issuer Not Cooperating (September 2019)

RATING HISTORY

Facilities	Current Rating (2020)			Rating History		
	Tenure	Amount (₹ Cr)	Rating	2019	2018	2017
Fund Based	Long Term	18.85	BWR C Issuer Not Cooperating* (Downgraded)	-	-	BWR B- Outlook: Stable
Non Fund Based	Short Term	0.40	BWR A4 Issuer Not Cooperating* (Reaffirmed)	-	-	BWR A4
Total		19.25	INR Nineteen Crores and Twenty Five Lakhs Only			

COMPLEXITY LEVELS OF THE INSTRUMENTS

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Analytical Contacts	Investor and Media Relations
<p>Shivangi Gupta Lead Analyst +91 80 4040 9940 Ext: 347 shivangi.g@brickworkratings.com</p> <p>K Nagaraj [Assoc. Director– Ratings] +91 80 4040 9940 Ext: 372 nagaraj.ks@brickworkratings.com</p>	<p>Liena Thakur Assistant Vice President - Corporate Communications +91 84339 94686 liena.t@brickworkratings.com</p>

ANNEXURE I

Alamelu Balaji Spinning Mills Private Limited

Details of Bank Facilities rated by BWR

Sl.No.	Name of the Bank	Type of Facilities	Long Term [₹ Cr]	Short Term [₹ Cr]	Total [₹ Cr]
1.	Indian Bank	Fund Based	18.85	-	18.85
		Non Fund Based	-	0.40	0.40
TOTAL					19.25

Total INR Nineteen Crores and Twenty Five Lakhs Only.

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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.

DISCLAIMER

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