## RATING RATIONALE

**29 Jan 2021**

**Alkas Spinning Mills Pvt. Ltd.**

**Brickwork Ratings reaffirms the ratings for the Bank Loan Facilities of ₹6.35 Crores of Alkas Spinning Mills Pvt. Ltd. based on best available information, as the issuer did not cooperate.**

**Particulars**

| Facility | Amount (₹ Cr) | | Tenure | Rating# | |
|---|---|---|---|---|---|
| | Previous | Present | | Previous (Nov 2019) | Present |
| Fund based | 5.95 | 5.95 | Long Term | BWR D Issuer Not Cooperating* | BWR D (Reaffirm) Issuer Not Cooperating* |
| Non-Fund based | 0.40 | 0.40 | Short Term | | |
| Total | 6.35 | 6.35 | INR Six Crores and Thirty 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&II

### RATING ACTION

In view of the non-availability of the information and lack of cooperation from the issuer, Brickwork Ratings has reaffirmed the rating to ‘BWR D, Issuer Not Cooperating’, for the bank loan facilities amounting to Rs. 6.35 Crores of Alkas Spinning Mills Pvt. Ltd.

### OUTLOOK / NATURE OF NON-COOPERATION

The rating was due for a review in Nov,2020. BWR took up with the issuer 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. The firm has not been submitting NDS. 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. Hence, based on best available information and banker’s feedback, Brickwork Ratings has reaffirmed the ratings to BWR D and continue the ratings under the ISSUER NOT COOPERATING* category.

### 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.

## COMPANY PROFILE

Alkas spinning Mills P. Ltd. was incorporated in the year 2010 and the factory is located at Karur district in Tamilnadu. The company started its operations in April 2013. The Directors of the company are Mr.A. Anand and Mr. A. Keerti.

## NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: NA

## RATING HISTORY FOR THE LAST 3 YEARS (including withdrawn and suspended)

<table>
<tr><th rowspan="2">Facilities</th><th colspan="3">Current Rating (2021)</th><th colspan="3">Rating History</th></tr>
<tr><th>Tenure</th><th>Amount (₹ Cr)</th><th>Rating</th><th>2020</th><th>Nov,2019</th><th>2018</th></tr>
<tr><td>Fund Based</td><td>Long Term</td><td>5.95</td><td rowspan="2">BWR D (Reaffirm) Issuer Not Cooperating*</td><td rowspan="2">-</td><td rowspan="2">BWR D Issuer Not Cooperating*</td><td>-</td></tr>
<tr><td>Non-Fund Based</td><td>Short Term</td><td>0.40</td><td>-</td></tr>
<tr><td colspan="2">Total</td><td>6.35</td><td colspan="4">INR Six Crores and Thirty Five Lakhs Only</td></tr>
</table>

## COMPLEXITY LEVELS OF THE INSTRUMENTS

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

### Hyperlink/Reference to applicable Criteria

- **Approach to Financial Ratios**
- **General Criteria**



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## ANNEXURE I

Alkas Spinning Mills Pvt. Ltd.

### Details of Bank Facilities rated by BWR

| Sl.No. | Type of Facilities | Long Term [₹ Cr] | Total [₹ Cr] |
|---|---|---|---|
| 1. | Term Loan | 4.75 | 4.75 |
| 2. | Cash Credit | 1.20 | 1.20 |
| 3. | Bank Guarantee | 0.40 | 0.40 |
| TOTAL | | | 6.35 |

**Total Rupees Six Crores and Thirty Five Lakhs only.**

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