

## RATING RATIONALE

03 Jun 2020

### Amrutha Knit Fab

**Brickwork Ratings revises the ratings for the Bank Loan Facilities of ₹ 4.58 Crores of Amrutha Knit Fab based on best available information, as the issuer did not cooperate\*.**

#### Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous May 2019	Present
Fund based	4.58	4.58	Long Term	BWR B+ Stable	BWR B Stable Downgrade *Issuer Not Cooperating
<b>Total</b>	<b>4.58</b>	<b>4.58</b>	<b>₹ Four Crores and Fifty Eight 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.

#### NATURE OF NON-COOPERATION

The rating was due for a review in May 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 firm has not provided the same. In the absence of adequate information from the firm BWR is unable to assess the firm's financial performance and its ability to service its debt and maintain a valid rating. Hence, based on best available information and lender feedback Brickwork Ratings **has revised the long term ratings to BWR B**, and migrated the same to the ISSUER NOT COOPERATING\* category.

#### 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. Users of the credit ratings should therefore take into account the possible deterioration in the credit quality of the rated entity arising from its non-transparency and withholding of information required for a review of the rating.

**KEY FINANCIAL INDICATORS** in (₹ Cr) [AS AVAILABLE WITH BWR]

Key Parameters	Units	FY 2018	FY 2017
Result Type		Audited	Audited
Operating Revenue	In Crs	11.40	9.51
EBITDA	In Crs	2.67	3.05
PAT	In Crs	0.55	0.97
Tangible Net worth	In Crs	7.10	6.55
Total Debt to Tangible Net worth	Times	1.06	0.93
Current Ratio	Times	0.96	1.35

**COMPANY PROFILE (As available in May 2019)**

Amrutha Knit Fab is a partnership firm, established in 2014 at Tirupur, Tamilnadu by Mr. Duraisamy and Mr. Muruganantham as partners. The firm is engaged in dry cloth compacting and manufacturing of hosiery garments.

**NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY- NA**

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

Instrument	Current Rating (2020)			Rating History		
	Tenure	Amount (₹ Cr)	Rating	2019	2018	2017
<b>Fund based</b>	<b>Long Term</b>	<b>4.58</b>	<b>BWR B Stable Downgrade *Issuer Not Cooperating</b>	<b>BWR B+ Stable</b>	-	<b>BWR B Stable</b>
<b>Non Fund Based</b>	<b>Short Term</b>	-	-	<b>Withdrawn</b>	-	<b>BWR A4</b>
<b>Total</b>		<b>4.58</b>	<b>₹ Four Crores and Fifty Eight Lakhs Only</b>			

## 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](#)
- [What constitutes as Non cooperation](#)

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## ANNEXURE I

### *Amrutha Knit Fab*

#### 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	Federal Bank	Cash Credit	2.00	-	2.00
2		Term Loan	2.58**	-	2.58
<b>TOTAL</b>					<b>4.58</b>

**Total ₹ Four Crores and Fifty Eight Lakhs Only**

*\*\*Combined outstanding amount of five term loans*



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