

RATING RATIONALE

05 Jun 2020

ANNAMALAIAR MILLS PVT. LTD.

Brickwork Ratings revises the ratings for the Bank Loan Facilities of ₹ 10.95 Crores of Annamalaiar Mills Pvt. Ltd. based on best available information, as the issuer did not cooperate*.

Particulars :

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (April 2019)	Present
Fund based	7.95	7.95	Long Term	BWR B+ Stable	BWR B Stable Downgrade *Issuer Not Cooperating
Non Fund Based	3.00	3.00	Short Term	BWR A4	BWR A4 Reaffirm *Issuer Not Cooperating
Total	10.95	10.95	₹ Ten Crores and Ninety 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.

NATURE OF NON-COOPERATION

The rating was due for a review in April 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 company has not provided the same. In the absence of adequate information from the company BWR is unable to assess the company'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, reaffirmed the short term ratings** 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	48.84	43.21
EBITDA	In Crs	3.33	2.47
PAT	In Crs	0.38	-0.14
Tangible Net worth	In Crs	2.43	2.05
Total Debt to Tangible Net worth	Times	3.87	3.52
Current Ratio	Times	0.75	0.72

COMPANY PROFILE (As available in April 2019)

Annamalaiar Mills Pvt Ltd was established in 1955 in Dindigul, Tamil Nadu and is engaged in manufacturing of cotton yarn. The company has sales outlets at Karur, Ichalkaranji, Mumbai, Kanpur and Kolkata.

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
Fund based	Long Term	7.95	BWR B Stable Downgrade *Issuer Not Cooperating	BWR B+ Stable	-	BWR B+ Stable
Non Fund Based	Short Term	3.00	BWR A4 Reaffirm *Issuer Not Cooperating	BWR A4	-	BWR A4
Total		10.95	₹ Ten Crores and Ninety Five Lakhs Only			

COMPLEXITY LEVELS OF THE INSTRUMENTS

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

Hyperlink/Reference to applicable Criteria

- **General Criteria**
- **What constitutes as Non cooperation**

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ANNEXURE I

Annamalaiar Mills Pvt. Ltd.

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	Karur Vysya Bank	OCC	5.00	-	5.00
2		HPMA	2.95	-	2.95
3		ILC/FLC	-	3.00	3.00
TOTAL					10.95

Total ₹ Ten Crores and Ninety 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.

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