

RATING RATIONALE

23 Mar 2020

Annapurna Cotex Pvt. Ltd.

Brickwork Ratings Revises and downgrades the long term rating for the Bank Loan Facilities ₹14.00 crores of Annapurna Cotex Pvt. Ltd. based on best available information, as the issuer did not cooperate.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (January, 2019)	Present
Fund Based Cash Credit	14.00	14.00	Long Term	BWR BB (Stable)	BWR B+ (Stable) (Downgrade) Issuer not Cooperating
Total	14.00	14.00	INR Fourteen Crores Only		

Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

* Issuer did not cooperate, based on best available information.

RATING ACTION/ OUTLOOK/NATURE OF NON-COOPERATION :

Brickwork Ratings Downgrades the Long Term rating to BWR B+(Stable) from BWR BB (Stable) for the Bank Loan Facilities ₹14.00 crores of Annapurna Cotex Pvt. Ltd. based on best available information since the client did not submit any documents and details, as the issuer did not cooperate.

BWR has assigned the rating of BWR BB(Stable) in **January, 2019**. The rating was due for surveillance in **January, 2020**. The firm was being followed up for surveillance dated 10th December 2019, 2nd, 13th, 14th, 23rd January, 4th March 2020 for its rating but no information has been received despite close follow up. The concern Annapurna Cotex Pvt. Ltd. did not cooperate for review of rating for the bank loan facilities of Rs.14.00 Crs. In the absence of adequate information from the Company, Brickwork Ratings is unable to assess the Company'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 downgraded the rating BWR B+(Stable) 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, 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 rating should therefore take into account the possible deterioration in the credit quality of the rated entity arising from its non- transparency and withholdings of the information required for a review of the rating.

KEY FINANCIAL INDICATORS (in ₹ Cr) (Information received as on January, 2019)

Key Parameters	Units	FY 18	FY 17
Result Type		Audited	Audited
Operating Revenue	₹ Crs	99.80	92.71
EBITDA	₹ Crs	0.76	1.35
PAT	₹ Crs	0.26	0.31
Tangible Networkth	₹ Crs	8.49	8.23
Total Debt / Tangible Networkth	Times	1.22	1.19
Current Ratio	Times	1.40	1.36

COMPANY PROFILE (Information received as on January, 2019)

Annapurna Cotex Pvt Ltd (ACPL) is incorporated in 2008 by Goyal family. ACPL is engaged in manufacturing of cotton bales, cotton and cotton seeds. ACPL is also engaged in trading of cotton bales. The company have 2 manufacturing units - one at Shevgaon (Maharashtra) and another unit at Sadashivpeth Telangana.

NON-COOPERATION WITH PREVIOUS RATING AGENCY :- Crisil Rated “Crisil B+ Issuer Not Cooperating” as on 5th March, 2020.

RATING HISTORY

Facilities	Current Rating			Rating History		
	Tenure	Amount (₹ Cr)	Rating	2019	2018	2017
Fund Based	Long Term	14.00	BWR B+ (Stable) (Downgrade) Issuer Not Cooperating*	BWR BB (Stable)	-	-
Total		14.00	INR Fourteen Crores Only			

* Issuer did not cooperate. Based on best available information

COMPLEXITY LEVELS OF THE INSTRUMENTS

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

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Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratio](#)
- [What constitutes Non cooperation](#)

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ANNEXURE I

**Annapurna Cotex Pvt. Ltd.
Details of Bank Facilities rated by BWR**

Sl.No.	Name of the Bank	Facilities	Type	Tenure	Total [₹ Cr]
1.	Bank of Baroda, Sendhwa Branch	Cash Credit	Fund Based	Long Term	14.00
INR Fourteen Crores Only					14.00

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