

RATING RATIONALE

10 Mar 2020

Annur Annamalaiar Spinning Mills (P) Ltd

Brickwork Ratings downgrades the long term ratings and reaffirms the short term ratings for the Bank Loan Facilities ₹12.53 Crs of Annur Annamalaiar Spinning Mills (P) Ltd based on best available information, as the issuer did not cooperate.

Particulars

Facility Rated	Amount (Rs. Crs)		Tenure	Previous Rating	Present Rating
	Previous	Present		23rd November, 2018	
<u>Fund Based</u>	10.34	10.34	Long Term	BWR B (Stable)	BWR B- (Stable) Downgraded ISSUER NOT COOPERATING *
<u>Non-Fund Based</u>	2.19	2.19	Short Term	BWR A4 (Stable)	BWR A4 (Stable) Reaffirmed ISSUER NOT COOPERATING *
Total	12.53	12.53	Rupees Twelve Crores and Fifty Three lakhs 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

The Long term rating of the Bank Loan Facilities have been downgraded to BWR B-(Stable) (Downgraded) and the short term ratings have been reaffirmed to BWR A4 for Annur Annamalaiar Spinning Mills (P) Ltd under 'Issuer Not Cooperating' category. The rating was due for surveillance in November,2019. However due to non-receipt of information it was moved to rating not reviewed category on 25th November,2019. BWR took up with the issuer to provide required information over emails and through telephone calls. Despite the best efforts of BWR to get the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the entity, BWR is unable to assess the entity's financial performance and its ability to service its debt and maintain a valid rating.

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. 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 ₹ Crs) [AS AVAILABLE WITH BWR in FY2017]

Key Parameters	Units	FY 16	FY 17
Result Type		Audited	Audited
Operating Revenue	Crs	36.01	47.86
EBITDA	Crs	2.85	2.69
PAT	Crs	0.41	0.38
TNW	Crs	6.94	7.32
Total debt / TNW	Times	1.85	1.48
Current Ratio	Times	0.87	1.74

COMPANY PROFILE

Annur Annamalaiar Spinning Mills Pvt Ltd is a company situated at Coimbatore, Tamil Nadu and established in 2006. The directors of the company are Mr.A.P.R Rangasamy, Ms.R.Bhagyavathi, Ms. Kavitha Rangasamy, Ms. Vidhya Prabha Rangasamy and Ms.Mohanapriya Rangasamy and they have been in textile industry for more than a decade .The company produces yarn through spinning of raw cotton.

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY : NA

RATING HISTORY

Instrument / Facilities	Current Rating (March 2020)			Rating History		
	Tenure	Amount (₹ Crs)	Rating (2020)	25th November, 2019	23rd November, 2018	2017
Fund Based	Long Term	10.34	BWR B- (Stable) Downgraded ISSUER NOT COOPERATING *	Rating Not Reviewed	BWR B (Stable)	Not Rated
Non-Fund Based	Short Term	2.19	BWR A4 (Stable) Reaffirmed ISSUER NOT COOPERATING *	Rating Not Reviewed	BWR A4 (Stable)	Not Rated
Total		12.53	INR Twelve Crores and Fifty Three Lakhs 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

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [What Constitutes Non-Cooperation](#)
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Analytical Contacts	Investor and Media Relations
<p>AKILA M Primary Analyst Board: +91 044 2466 3326 akila.m@brickworkratings.com</p> <p>R VARADARAJAN Associate Director - Ratings B: +91 044 2466 3326 varadarajan.r@brickworkratings.com</p>	<p>Liena Thakur Assistant Vice President - Corporate Communications M : +91 84339 94686 liena.t@brickworkratings.com</p>

ANNEXURE I

Annur Annamalaiar Spinning Mills (P) Ltd

Details of Bank Facilities rated by BWR

Sl.No.	Name of the Bank	Type of Facilities	Long Term [₹ Crs]	Short Term [₹ Crs]	Total [₹ Crs]
1.	Indian Overseas Bank	Cash Credit	10.00	-	10.00
		Term Loan	0.34	-	0.34
		BG	-	0.69	0.69
		LC	-	1.50	1.50
TOTAL					12.53

Total Rupees Twelve Crores and Fifty Three Lakhs Only

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