

Rating Rationale

29 Jan 2020

Anugraha Fashion Mill Private Limited

Brickwork Ratings downgrades the rating for the Bank Loan Facility of Rs. 39.96 Crores of Anugraha Fashion Mill Private Limited based on best available information, as the issuer did not cooperate.

Particulars

Facility	Previous (Rs. Crs)	Present (Rs.Crs)	Tenure	Previous Rating (Mar 2019)	Rating
Fund Based					
Cash Credit	3.00	3.00	Long Term	BWR BBB Issuer Not Cooperating*/Stable	BWR BB+ Issuer Not Cooperating */Stable
Term Loans	10.34	10.34			
FCLR	1.62	1.62			
PC/PCFC/FDB/FBE/BRD	25.00	25.00	Short Term	BWR A3+ Issuer Not Cooperating*	BWR A4+ Issuer Not Cooperating*
Total	39.96	39.96	Rupees Thirty Nine Crores and Ninety Six lakhs Only		

Please refer to BWR website www.brickworkratings.com/ for definition of the ratings; Details of Bank facilities are provided in Annexure-I; *Issuer did not cooperate, based on best available information

Rating Action/Nature Of Non-cooperation:

The ratings were migrated to the Issuer Not Cooperating* category on 19 Mar 2019 as the company did not cooperate with BWR in submission of required information for conducting a review of the rating. Further, the company has not been submitting the No Default Statement(NDS) to BWR as per regulatory requirements. Due to the continued lack of management cooperation and in the absence of adequate information from the issuer, BWR is unable to assess the issuer's financial performance and its ability to service its debt and maintain a valid rating. Hence, based on extant regulatory guidelines, continued non cooperation by the company and the best available information, Brickwork Ratings has downgraded the ratings to BWR BB+/Stable/A4+ and continued the ratings in 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. 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 withholding of information required for a review of the rating.

About the Company :

Anugraha Fashion Mill Pvt Ltd was initially set up as a partnership firm in 1988 at Tirupur and later in 2008 incorporated as a private limited company. The company, engaged in spinning of cotton hosiery yarn and manufacturing and export of hosiery garments, is part of Tirupur based Apex group. Mr. P Moghan, Mr. M Manoj and Mrs. P Raajeshwari are the directors of the company.

Financial Indicators :

The Company has not provided any financial information to BWR for the last two years.

Status of non-cooperation with previous CRA: Nil

Rating History for the last 3 years:

Facility	Current Rating (Jan 2020)			Rating History		
	Tenure	Amount (Rs. Crs)	Rating	19Mar2019	05Dec2018	04Sep2017
Fund Based						
Cash Credit	Long Term	3.00	BWR BB+/Stable Issuer Not Cooperating*	BWR BBB Issuer Not Cooperating*/ Stable	Rating moved to Not Reviewed Advisory	BWR BBB/ Stable
Term Loans		10.34				
FCLR		1.62				
PC/PCFC/FDB/ FBE/ BRD	Short Term	25.00	BWR A4+ Issuer Not Cooperating*	BWR A3+ Issuer Not Cooperating *		BWR A3+
Total		39.96	Rupees Thirty Nine Crores and Ninety Six lakhs Only			

*Issuer did not cooperate; Based on best available information; ^Initial ratings of BWR C/A4 were assigned on 08 Jul 2013 and subsequently upgraded to BWR BB+/A4 (16Sep2014) and BWR BBB-/A3 (27Jul2016)

Complexity levels of the instruments

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

Hyperlink/Reference to applicable Criteria

• General Criteria	• Manufacturing Sector
• Approach to Financial Ratios	• Short Term Debt
• What Constitutes Non-cooperation	

Analytical Contacts	Investor and Media Relations
<p>Naveen S Senior Ratings Analyst Board: +91 80 4040 9940 Ext: 346 naveen.s@brickworkratings.com</p> <p>Rajee R Senior Director - Ratings B: +91 80 4040 9940 rajee.r@brickworkratings.com</p>	<p>Liena Thakur Assistant Vice President - Corporate Communications +91 84339 94686 liena.t@brickworkratings.com</p>
1860-425-2742	

ANNEXURE I
Details of the Rated Bank Loan Facilities*

Sl. No.	Name of the Bank	Type of Facility	Long Term [Rs Cr]	Short Term [Rs Cr]	Total [Rs Cr]
1.	Canara Bank	Cash Credit	3.00	-	3.00
		Term Loan	10.34	-	10.34
		FCLR	1.62	-	1.62
		PC/PCFC/FDB/FBE/ BRD	-	25.00	25.00
Total - Rupees Thirty Nine Crores and Ninety Six lakhs Only					39.96

*As per information furnished to BWR in 2017

For print and digital media The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

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.

DISCLAIMER Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented “as is” without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons