



RATING RATIONALE

23 Mar 2020

Armin Industries

Brickwork Ratings has revised the rating for the Bank Loan Facilities of Rs. 14.16 Crs. of Armin Industries based on the best available information, as the issuer did not cooperate. Accordingly the rating for the said instrument is as under

Instruments / Facilities**	Amount (Rs.Crs)		Tenure	Rating#		
	Previous	Present		Previous		Present
				Nov, 2018	Nov, 2019	
Fund Based: Term Loan Cash Credit	7.66 6.50	7.66 6.50	Long Term	BWR BB- Positive	Rating Not Reviewed	BWR B+ Stable Downgraded Issuer Not Cooperating*
Total	14.16	14.16	INR Fourteen Crores and Sixteen Lakhs Only			

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

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

**Details of Bank facilities is provided in Annexure-I.

RATING ACTION: Downgrade

In view of non-availability of the information and lack of cooperation from the company, Brickwork Ratings has downgraded the rating to BWR B+ and outlook changed to stable; Issuer not Cooperating for the bank loan facilities amounting to Rs. 14.16 Crores of Armin Industries.

The lenders may note to exercise due caution while using the above ratings which mentions "**Issuer Not Cooperating**" since the ratings lack any projections or forward-looking components as it is arrived based on the best available information on the company without any management interaction.

The rating was due for a review in Nov 2019. BWR took up with the company to provide the required information over emails and through telephone calls. Despite the best efforts of BWR to get at least the minimum required information for review, the entity 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.



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 the 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 [AS AVAILABLE WITH BWR]:

Key Financial Indicators	Units	FY 2017	FY 2016
Result Type		Audited	Audited
Net Sales/Revenues	₹ Cr	33.48	26.48
EBITDA	₹ Cr	1.92	0.86
PAT	₹ Cr	0.30	0.21
Tangible Net Worth	₹ Cr	3.96	1.67
Total Debt/Tangible Net Worth	Times	3.72	3.14
Current Ratio	Times	1.36	1.31

COMPANY'S PROFILE (Information as available in 2018)

Armin Industries established in April 2010, having its registered office at Huda, Panipat. Firm is engaged in dyeing, bleaching, designing, printing and finishing textiles, mainly 3D bedsheets. Prior to November 2017, the firm was into stitching and trading of bedspreads, quilt covers, mats, etc. The firm has its Factory situated at Kheri Shahpur Dhurana-Jawahra Road Israna, Panipat. Mr. Paramjeet Singh is the proprietor of the firm and has been associated with business of Textile goods for the last Eight years.

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: NA

RATING HISTORY FOR THE PREVIOUS THREE YEARS

S.No	Name of Instrument	Current Rating			Chronology of Rating History for the past 3 years along with outlook/watch, if applicable					
		Type(Long term/ Short Term)	Amount Outstanding (Rs. in Crs.)	Rating	Date(s) & rating(s) assigned in year T-1	Date(s) & rating(s) assigned in year T-2	Date(s) & rating(s) assigned in year T-3			
1	Bank Loan Facility	Long Term	14.16	BWR B+ Stable Downgraded Issuer not cooperating*	18.11.19 Rating not reviewed	15.11.18 <table border="1" data-bbox="987 762 1224 846"> <tr> <td>FB</td> <td>14.16</td> <td>BWR BB-</td> </tr> </table>	FB	14.16	BWR BB-	NIL
FB	14.16	BWR BB-								
Total			14.16	INR Fourteen Crores and Sixteen Lakhs Only						

COMPLEXITY LEVELS OF THE INSTRUMENTS

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

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [Manufacturing Companies](#)

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ANNEXURE I
Armin Industries

Details of Bank Loan Facilities rated by BWR

Sl.No.	Name of the Bank	Type of Facilities	Long Term [Rs. Crs]	Total [Rs. Crs]
1.	Axis Bank	Term Loan Cash Credit	7.66 6.50	7.66 6.50
TOTAL INR Fourteen Crores and Sixteen Lakh only				14.16

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.

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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 reason.