

RATING RATIONALE

30 Dec 2020

Arun Spinning Mills Private Limited

Brickwork Ratings reaffirms the ratings for the Bank Loan Facilities of ₹21.08 Crores of Arun Spinning Mills Pvt. Ltd. based on best available information, as the issuer did not cooperate.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (Oct, 2019)	Present
Fund based	16.08	16.08	Long Term	BWR D Issuer Not Cooperating*	BWR D (Reaffirm) Issuer Not Cooperating*
Non Fund based	5.00	5.00	Short Term		
Total	21.08	21.08	INR Twenty One Crores and Eight Lakhs Only		

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

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

Details of Bank facilities is provided in Annexure-I&II

RATING ACTION

In view of the non-availability of the information and lack of cooperation from the issuer, Brickwork Ratings has reaffirmed the rating to 'BWR D, Issuer Not Cooperating', for the bank loan facilities amounting to Rs.21.08 Crores of Arun Spinning Mills Private Limited

OUTLOOK / NATURE OF NON-COOPERATION

The rating was due for a review in Oct,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 entity has not provided the same. The company has not been submitting NDS. 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 best available information and banker feedback,



Brickwork Ratings has reaffirmed the ratings to BWR D and continue the ratings under 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.

COMPANY PROFILE

Arun Spinning Mills P Ltd (ASMPL) was incorporated in 1997 at Rajapalayam, Tamilnadu to manufacture grey cotton yarn. It is promoted by Mr. P Subbaraman.

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: NA

RATING HISTORY FOR THE LAST 3 YEARS (including withdrawn and suspended)

Facilities	Current Rating			Rating History		
	Tenure	Amount (₹ Cr)	Rating	Oct,2019	May,2018	Feb,2017
Fund Based	Long Term	16.08	BWR D (Reaffirm) Issuer Not Cooperating*	BWR D Issuer Not Cooperating *	BWR C+ Issuer Not Cooperating *	BWR B- (Stable)
Non-Fund Based	Short Term	5.00			BWR A4 Issuer Not Cooperating *	BWR A4
Total		21.08	INR Twenty One Crores and Eight Lakhs Only			

COMPLEXITY LEVELS OF THE INSTRUMENTS

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

Hyperlink/Reference to applicable Criteria

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

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ANNEXURE I

Arun Spinning Mills Private Limited

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.	State Bank of India	Term Loan	1.88	-	1.88
2.		Cash Credit	14.20	-	14.20
3.		Letter of Credit	-	5.00	5.00
TOTAL					21.08

Total Rupees Twenty One Crores and Eight Lakhs only.

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convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has rated over 11,400 medium and large corporates and financial institutions' instruments. BWR has also rated NGOs, Educational Institutions, Hospitals, Real Estate Developers, Urban Local Bodies and Municipal Corporations. BWR has Canara Bank, a leading public sector bank, as one of the promoters 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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