

RATING RATIONALE

29 Sept 2020

Aruna Textile Processing Mills

Brickwork Ratings reaffirmed the ratings for the Bank Loan Facilities ₹18.00 Crs of Aruna Textile Processing Mills based on best available information, as the issuer did not cooperate.

Particulars

Facility	Amount (Rs. Crs)		Tenure	Previous Rating	Present Rating
	Previous	Present		July 2019	
Fund Based	16.77	16.77	Long Term	BWR B-(Stable) Issuer Not Cooperating*	BWR B-(Stable) Reaffirmed Issuer Not Cooperating*
Non-Fund Based	1.23	1.23	Short Term	BWR A4 Issuer Not Cooperating*	BWR A4 Reaffirmed Issuer Not Cooperating*
Total	18.00	18.00	Rupees Eighteen 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

In view of the non-availability of the information and lack of cooperation from the issuer, Brickwork Ratings has reaffirmed the rating at 'BWR B-/Stable/A4, Issuer Not Cooperating', for the bank loan facilities amounting to Rs. 18.00 Crores of Aruna Textile Processing Mills.

OUTLOOK / NATURE OF NON-COOPERATION

The rating was due for surveillance in July 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 the minimum required information for a review, the firm has not provided the same. In the absence of adequate information from the firm, BWR is unable to assess the firm's financial performance and its ability to service its debt and maintain a valid rating. Hence, on account of inadequate information, lack of management cooperation and banker's feedback, BWR recommends continuing the rating under Issuer Non Cooperating category and has further reaffirmed the rating of the Bank Loan Facilities of the firm to BWR B-/Stable/A4.

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.

KEY FINANCIAL INDICATORS

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

COMPANY PROFILE

Aruna Textile Processing mills, a partnership firm, was established in 1996 at Gangapuram, Erode. They are engaged in textile processing, yarn dyeing, textile printing, bleaching, and rotary printing.

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: NIL

RATING HISTORY FOR THE LAST 3 YEARS [including withdrawal and suspended]

Sl. No	Facility	Current Rating (2020)			Rating History		
		Type	Amount (Rs. Crs)	Rating	July 2019	Mar, 2018	2017
1	Fund Based	Long Term	16.77	BWR B-(Stable) Reaffirmed Issuer not cooperating*	BWR B-(Stable) Issuer not cooperating*	BWR B (Stable)	-
2	Non Fund Based	Short Term	1.23	BWR A4 Reaffirmed Issuer not Cooperating*	BWR A4 Issuer not Cooperating*	BWR A4	
Total			18.00	INR Eighteen 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

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [What Constitutes Non-Cooperation](#)

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ANNEXURE I

Aruna Textile Processing Mills

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 Bank	Cash Credit	4.70	-	4.70
2.		Cash Credit (Proposed)	3.00	-	3.00
1.		Term Loans	7.05	-	7.05
1.		Term Loan (Proposed)	2.02	-	2.02
1.		Bank Guarantee	-	1.23	1.23
TOTAL					18.00

Total Rupees Eighteen Crores Only



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