

Rating Rationale

Ashnoor Textile Mills Ltd

20 Feb 2018

Brickwork Ratings has reviewed the Rating for the bank loan facilities of Rs.55.74 Crs. of Ashnoor Textile Mills Ltd., based on best available information, as the issuer did not cooperate. Accordingly the rating for the said instrument is reaffirmed to BWR BB/A4+

Particulars

Facility	Amount (₹ Crores)		Tenure	Rating *	
	Previous	Present		Previous (Feb, 2016)	Rating Assigned
Fund Based	14.94	14.94	Long Term	BWR BB Outlook:Stable	Issuer did not Cooperate; BWR BB Outlook:Stable (BWR Double B) (Reaffirmed)
Non Fund Based	40.80	40.80	Short Term	BWR A4+	Issuer did not Cooperate; BWR A4+ (BWR A Four Plus) (Reaffirmed)
Total	55.74	55.74	INR. Fifty Five Crores and Seventy Four 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 reaffirmed

Nature of Non-co-operation: The rating was due for a review on Feb 19,2017. BWR took up with the issuer to provide required information over emails dated November 07,2017, and through numerous 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. In the absence of adequate information from the issuer/Company, BWR is unable to assess the issuer's/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, non cooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress.

About the Company:



Ashnoor Textile Mills Ltd. (ATML) was incorporated in January Limited and was earlier engaged in manufacturing & trading of carpets in the domestic and export

markets. In FY 1994, the company set up a 100% EOU for manufacturing of terry towels in Gurgaon with an installed capacity of ~1,300 MT per annum which was subsequently increased to the present capacity of 2,600 MT per annum.

Rating History for the last three years (including withdrawn/suspended ratings)

Facilities	Rating Assigned in 2018			Rating History		
	Amount to be Rated (In Crs)	Tenure	Rating Assigned	2017	2016	2015
Fund Based	14.94	Long Term	Issuer did not Cooperate; BWR BB Outlook:Stable (Reaffirmed)	NA	BWR BB Outlook: Stable	NA
Non Fund Based	40.80	Short Term	Issuer did not Cooperate; BWR A4+ (Reaffirmed)	NA	BWR A4+	NA
Total	55.74	INR. Fifty Five Crores and Seventy Four Lakhs Only				

Issuer did not Co-operate; based on best available information

Status of non cooperation with Previous CRA : Non Applicable

Any other information: Non Applicable

Hyperlink/Reference to Applicable Criteria

- | | | | |
|----------|---|----------|---|
| 1 | <u>General Criteria</u> | 4 | <u>Short Term Debt</u> |
| 2 | <u>Approach to Financial Ratios</u> | 5 | <u>What Constitutes Non Cooperation</u> |
| 3 | <u>Service Industry</u> | | |



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For print and digital media

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Note on complexity levels of the rated instrument:

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at www.brickworkratings.com/download/ComplexityLevels.pdf Investors queries can be sent to info@brickworkratings.com.

About Brickwork Ratings

Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, has also been 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 Nationalized 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, Guwahati, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 9,30,000 Cr. In addition, BWR has rated about 5000 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹19,700 Cr have been rated. Brickwork has a major presence in rating of nearly 100 cities.

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.