

## RATING RATIONALE

13 Mar 2020

### Twinstar Industries Limited

**Brickwork Ratings revises the ratings for the Bank Loan Facilities ₹ 21.00 Crores of Twinstar Industries Limited based on best available information, as the issuer did not cooperate.**

#### Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (January, 2018)	Present
Fund based	11.00	11.00	Long Term	BWR BB (Stable)	<b>BWR B Issuer Not Cooperating* Downgrade</b>
Non Fund Based	10.00	10.00	Short Term	BWR A4	<b>BWR A4 Issuer Not Cooperating* Reaffirmation</b>
<b>Total</b>	<b>21.00</b>	<b>21.00</b>	<b>INR Twenty One Crores Only</b>		

# Please refer to BWR website [www.brickworkratings.com/](http://www.brickworkratings.com/) for definition of the ratings

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

#### RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

The rating of Bank Loan Facilities (Long Term) of the company have been downgraded to BWR B from BWR BB (Stable) and the Short Term facilities have been reaffirmed at BWR A4 based on the best available information, under 'Issuer Not Cooperating' category because the company has not provided any information/papers. The banker has not provided any feedbacks despite of repeated mails

The rating was due for a review in January, 2019 BWR took up with the company to provide required information for conducting a review of the ratings through emails dated November 15 & 18 2019 and telephone calls. Despite the best efforts of BWR to get at least the minimum required information for a review, the company has not provided the same. Due to the continued lack of management cooperation and in the absence of



adequate information from the Company, BWR is unable to assess the Company's ability to service its debt and maintain a valid rating. Hence, based on best available information, Brickwork Ratings has downgraded and migrated the rating to the ISSUER NOT COOPERATING\* category.

## 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 required information for a review of the assigned rating may also be accompanied by financial stress.

### KEY FINANCIAL INDICATORS (in ₹ Cr) [As Available with BWR]

The company has earned a total revenue & PAT in tune of Rs 85.55cr & Rs 0.46cr in FY19 which has decreased from Rs 187.02cr & Rs 0.75cr in FY18 as available from the public domain. The company has earned a revenue of Rs 20.28cr and has incurred loss in tune of Rs 0.96cr as per 9MFY20 figures vis-a-vis revenue of Rs 74.65cr & profit of Rs 0.60cr in FY18.

Key Parameters	Units	FY17	FY16
Result Type		Audited	Audited
Operating Revenue	₹ Cr	137.34	103.90
EBITDA	₹ Cr	1.64	2.52
PAT	₹ Cr	0.26	0.21
Tangible Net Worth	₹ Cr	23.89	23.63
Total Debt/Tangible Net Worth	Times	0.50	0.41
Current ratio	Times	1.61	1.93

## COMPANY PROFILE

Twinstar Industries Ltd was incorporated in the year 1994 as a limited company in Mahape, Navi Mumbai. TIL was initially setup with the objective of development and export of software and provide IT enabled services. However, currently TIL's operations predominantly comprise of trading merchandise such as cotton, cotton yarn and fabric, textile auxiliaries and chemicals and ferrous and non ferrous wires. The company is an 'Eligible Enrolment Agency' in India. TIL is serving to UAID to capture Aadhar card

data. It has enrolment stations in Maharashtra, Gujarat, Madhya Pradesh.

**NON-COOPERATION WITH PREVIOUS RATING AGENCY : NA**

**RATING HISTORY**

Instrument / Facilities	Current Rating			Rating History		
	Tenure (Long Term/ Short Term)	Amount (₹ Cr)	Rating	5th, January, 2019	5th, January, 2018	12th August, 2016
Fund Based	Long Term	11.00	BWR B Issuer Not Cooperating* Downgrade	Rating Not Reviewed	BWR BB (Stable)	BWR BB (Stable)
Non Fund Based	Short Term	10.00	BWR A4 Issuer Not Cooperating* Reaffirmation		BWR A4	BWR A4
Total		21.00	INR Twenty One Crores Only			

**COMPLEXITY LEVELS OF THE INSTRUMENTS**

For more information, visit [www.brickworkratings.com/download/ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf)

**Hyperlink/Reference to applicable Criteria**

- [Trading Entities](#)
- [General Criteria](#)
- [Short Term Debt](#)

**ANNEXURE I**

*Twinstar Industries 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	Debtor's Cash Credit	11.00	-	11.00
2)		Bank Guarantee	-	10.00	10.00
3)		Letter Of Credit	-	(4.00)	(4.00)
<b>TOTAL</b>					<b>21.00</b>

**Total Rupees Twenty One Crores only.**

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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



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