

Press Release

Arnothaya Mills (AM)

15 February 2017

Rating Update

Total Bank Facilities Rated	Rs.24.18 Cr
Long Term Rating (Indicative)	SMERA BB Issuer not co-operating*
Short Term Rating (Indicative)	SMERA A4+ Issuer not co-operating*

Refer Annexure for details of instrument.

*The issuer did not co-operate; Based on best available information.

Rating Action

SMERA has reviewed the long term rating of '**SMERA BB**' (read as **SMERA double B**) and short term rating of '**SMERA A4+**' (read as **SMERA A four plus**) on the Rs.24.18 crore bank facilities of Arnothaya Mills (AM). The ratings are now indicative ratings and based on best available information.

Non-cooperation by the issuer/borrower: SMERA has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating since October 2016. SMERA has also requested for the payment of outstanding surveillance fee.

Information Status	Not Received
Status of Surveillance Fee	Not Received

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and SMERA's policies.

Applicable Criteria

- Manufacturing Entities - <https://www.smera.in/criteria-manufacturing.htm>
- Application of Financial Ratios and Adjustments: <https://www.smera.in/criteria-fin-ratios.htm>
- Default Recognition: <https://www.smera.in/criteria-default.htm>

Limitation regarding information availability: The rating is based on the information furnished by the rated entity in October 2015. Due to non-submission of information, SMERA endeavored to gather information about the entity / industry from sources available in public domain. SMERA therefore records its caution to the lenders/investors/public regarding the outdated data/non-reliability of data, on which the indicative credit rating is based.

About the Rated Entity:

AM is a Coimbatore-based partnership firm established in 1992 by Mr. Muthukumaraswamy. The firm is engaged in the manufacturing of grey cloth used in household textile products.

Rating History for the last three years:

Name of Instrument /Facilities	FY2017			FY2016		FY2015		FY2014	
	Scale	Amt (Rs. Crore)	Rating	Date	Rating	Date	Rating	Date	Rating
Cash Credit	LT	16.00	SMERA BB (Indicative)	19 Oct 2015	SMERA BB/Stable (Assigned)	-	-	-	-
Term Loan	LT	6.82	SMERA BB (Indicative)	19 Oct 2015	SMERA BB/Stable (Assigned)	-	-	-	-
Proposed Cash Credit	LT	1.29	SMERA BB (Indicative)	19 Oct 2015	SMERA BB/Stable (Assigned)	-	-	-	-
Bank Guarantee	ST	0.07	SMERA A4+ (Indicative)	19 Oct 2015	SMERA A4+ (Assigned)	-	-	-	-

Annexure – Details of instruments rated:

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings
Cash Credit	NA	NA	NA	16.00	SMERA BB (Indicative) Issuer not co-operating*
Term Loan	NA	NA	Not Available	6.82	SMERA BB (Indicative) Issuer not co-operating*
Proposed Cash Credit	NA	NA	NA	1.29	SMERA BB (Indicative) Issuer not co-operating*
Bank Guarantee	NA	NA	NA	0.07	SMERA A4+ (Indicative) Issuer not co-operating*

*The issuer did not co-operate; Based on best available information.

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ABOUT SMERA

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