

## Press Release

### Ananda Saw Mills

January 07, 2020



### Rating Update

<b>Total Bank Facilities Rated*</b>	Rs.11.50 Cr. #
<b>Long Term Rating</b>	ACUITE B- (Downgraded from ACUITE B/Stable) Issuer not co-operating*
<b>Short Term Rating</b>	ACUITE A4 Issuer not co-operating*

# Refer Annexure for details

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

Acuité has downgraded the long-term rating to '**ACUITE B-**' (**read as ACUITE B minus**) from '**ACUITE B**' (**read as ACUITE B**) and reviewed the short-term rating of '**ACUITE A4**' (**read as ACUITE A four**) on the Rs.11.50 crore bank facilities of ANANDA SAW MILLS. This rating is now an indicative rating and is based on best available information.

ASM was originally established in 1982 as a partnership by Mr. Alagaraja along with other partners. However, the firm was closed in 2016 and a new firm was opened in January 2017 under the same name. The partners comprise of Mr. Alagaraja and his family including Mrs. A. Padma, Mr. Dhiyaneswaran and Mrs. Priyadarshini. The firm's saw mill is located at Tenkasi (Tamil Nadu) with an installed capacity of 100 cubic meters/ per day. The firm is engaged in the import of round timber logs which are subsequently sawn and sized at its saw mill into various commercial sizes as per the requirement of its customers.

#### About the Group

Arunesh Saw Mill was established as a Partnership firm in 2000 by Mr. Alagaraja and his family as partners. The firm's saw mill is located at Tenkasi (Tamil Nadu) with an installed capacity of 100 cubic meters/ per day. The firm is engaged in the import of round timber logs and processing them into various commercial sizes as per the requirement of its customers.

#### Non-cooperation by the issuer/borrower

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer / borrower failed to submit such information before due date. Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

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

#### Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Entities in Manufacturing sector- <https://www.acuite.in/view-rating-criteria-59.htm>

#### Limitation regarding information availability

The rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). Acuité endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

#### About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

#### Status of non-cooperation with previous CRA (if applicable)

None

#### Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

#### Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
17-Oct-2018	Cash Credit	Long Term	1.50	ACUITE B/Stable (Assigned)
	Letter of Credit	Long Term	10.00	ACUITE A4 (Assigned)

#### #Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	1.50	ACUITE B- (Downgraded from ACUITE B/Stable) Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE A4 Issuer not co-operating*

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

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#### About Acuité Ratings & Research:

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