

Avarampalayam Sarvodaya Sangh (Revised)

January 13, 2023

Ratings

Facilities/Instruments	Amount (Rs crore)	Rating ¹	Rating Action
Long Term Bank Facilities	27.00	CARE B+; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB-; Stable; (Double B Minus; Outlook: Stable)

Details of instruments/facilities in Annexure-1

*Issuer did not cooperate; Based on best available information

Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated November 12, 2021, placed the rating(s) of Avarampalayam Sarvodaya Sangh (ASS) under the 'issuer non-cooperating' category as ASS had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. ASS continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated September 28, 2022, October 08, 2022, October 18, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

The ratings assigned to the bank facilities of ASS have been revised on account of non-availability of requisite information.

Detailed description of the key rating drivers

Please refer to PR dated [November 12, 2021](#)

Analytical approach: Standalone

Applicable criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Criteria on Assigning 'Outlook' or 'Rating Watch' to Credit Ratings](#)

About the Society

Avarampalayam Sarvodaya Sangh (ASS) was founded on January 05, 1966, with an objective of uplifting rural artisans' community through Khadi and village industry activities. Based in Coimbatore, ASS is registered under the societies registration act of 1860 and affiliated to Tamil Nadu Sarvodaya Sangh. The society is certified by KVIC (Khadi and Village Industries Commission), which is a statutory body of GoI (under Ministry of MSME), entrusted with the responsibility of planning, promotion, organization implementation of various scheme and programs and provide financial assistance for the development of the khadi Institutions. ASS is classified as A+ category khadi institution by KVIC, based on their performance, which is the topmost rank. As the growth of ASS spanning over 5 decades, it has now emerged as one of the largest khadi institution that operates 20 sales outlets and 10 production/processing units across Tamil Nadu. The society manufactures/trades and sells, cotton/silk/polyvastra sarees, readymade shirts, home textiles, wood and steel furnitures and FMCGS such as Agarbathies, bath soaps, medicinal foods, fruit crushes, shampoos, oils, fragrance powders etc. Currently there are 7500 artisans working in this society.

Brief Financials (Rs. crore)	FY21 (A)	FY22 (A)	9MFY23 (Prov.)
Total operating income	NA	NA	NA
PBILDT	NA	NA	NA
PAT	NA	NA	NA
Overall gearing (times)	NA	NA	NA
Interest coverage (times)	NA	NA	NA

A: Audited; Prov.: Provisional; NA: Not Available

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Status of non-cooperation with previous CRA: CRISIL has continued the rating assigned to the bank facilities of ASS into Issuer Not Cooperating category vide press release dated December 08, 2022 on account of its inability to carry out a review in the absence of the requisite information from the firm.

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument/facility: Detailed explanation of the covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated for this society: Annexure-4

Lender details: Annexure 5

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Bank Overdraft		-	-	-	27.00	CARE B+; Stable; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (Rs crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Bank Overdraft	LT	27.00	CARE B+; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (12-Nov-21)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (05-Nov-20)	1)CARE BB+; Stable (22-Oct-19)

*Issuer did not cooperate; Based on best available information

Annexure 3: Detailed explanation of the covenants of the rated instruments/facilities: Not Applicable

Annexure 4: Complexity level of various instruments rated for this society

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Bank Overdraft	Simple

Annexure 5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About CARE Ratings:

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