



## Rating Rationale

### Ganesh Cotton Traders

11<sup>th</sup> August 2017

Brickwork Ratings has reviewed the rating assigned to the Bank Loan Facility of Rs. 5.50 Crore of Ganesh Cotton Traders, based on best available information, as the issuer did not cooperate. Accordingly the rating for the said instrument is revised to **BWR B ISSUER NOT COOPERATING\***

### Particulars

Facilities Rated <sup>#</sup>	Amount (Rs. Crs)		Tenure	Rating <sup>1</sup>	
	Previous	Present		Previous	Present
Fund Based Cash Credit	5.50	5.50	Long Term	<b>BWR B+</b> <i>(Pronounced as BWR Single B Plus)</i> <b>Outlook: Stable</b>	<b>BWR B ISSUER NOT COOPERATING*</b> <b>Outlook: Stable</b> <i>(Pronounced as BWR Single B)</i> Revised from BWR B+ (Outlook: Stable)
<b>Total</b>	<b>5.50</b>	<b>Rs. 5.50 Crore (Rupees Five Crore Fifty Lakh Only)</b>			

# Annexure I provides bank wise details of facilities

\*Issuer did not cooperate; Based on best available information

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

### Rating Downgraded

#### Nature of Non Co-Operation:

The rating was due for a review in May 2017. Brickwork Ratings took up with the issuer to provide required information over emails and through telephone calls. Despite the best efforts of Brickwork Ratings 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, Brickwork Ratings is unable to assess the issuer's financial performance and its ability to service its debt and maintain a valid rating. Hence, on account of inadequate information and lack of management cooperation, Brickwork Ratings has downgraded the rating of the said instrument to **BWR B (Outlook: Stable) ISSUER NOT COOPERATING\***.



### 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. Users of the credit rating should therefore take into account the possible deterioration in the credit quality of the rated entity arising from its non-transparency and withholding of information required for a review of the rating.

### About the Proprietorship concern

Ganesh Cotton Traders (GTC) is a proprietorship concern established in 2007 at Guntur, Andhra Pradesh and is engaged in trading of Kappas, Cotton Lint and Cotton Seeds.

### Financial Performance

On a provisional basis, the proprietorship concern had achieved revenue of around Rs. 30.75 Crore for FY16.

### Rating History for the last three years

Sl. No.	Instrument/ Facilities	Current Rating (Year 2017)			Rating History		
		Type	Amount (Rs. Cr)	Rating	2016 (18 <sup>th</sup> May 2016)	2015	2014
1	Cash Credit	Long Term	5.50	<b>BWR B</b> <b>Outlook: Stable</b> ISSUER NOT COOPERATING* Revised from BWR B+ (Outlook: Stable)	BWR B+ (Outlook: Stable) <i>Assigned</i>	-	-

^ Amount Rated: Rs. 5.50 Crore

\* Issuer did not cooperate; Based on best available information

**Status of Non Cooperation with Other CRA: Not Applicable**

**Any other information: Not Applicable**



## Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Trading Entities](#)
- [Approach to Financial Ratios](#)
- [What Constitutes Non-Cooperation](#)

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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](http://www.brickworkratings.com/download/ComplexityLevels.pdf) Investors queries can be sent to [info@brickworkratings.com](mailto: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.



## Annexure I

### Ganesh Cotton Traders Guntur, Andhra Pradesh

Name of the Bank	Facilities/Instrument	Tenure	Amount Rated (Rs. Crs)
Bank of Maharashtra Guntur Branch, Guntur, Andhra Pradesh	Cash Credit	Long Term	5.50
<b>Total</b>			<b>5.50</b>