



## Rating Rationale

### A -Tex Home Collection

29Aug2019

Brickwork Ratings has reviewed the Rating for the Bank Loan facilities of ₹ 11.03 Crore of A -Tex Home Collection based on best available information, as the issuer did not cooperate. Accordingly the rating for the said instrument is as under

#### Particulars

Facility	Amount (₹ Cr)		Tenure	Rating*	
	Previous	Present		Previous (Jan, 2018)	Present
Fund based	1.03	1.03	Long Term	<b>BWR B+</b> (BWR Single B Plus) Outlook: Stable	Issuer Not Cooperating <b>BWR B</b> (BWR Single B) Outlook: Stable <b>Downgraded</b>
	10.00	10.00	Short Term	<b>BWR A4</b> (BWR A Four)	Issuer Not Cooperating <b>BWR A4</b> (BWR A Four) <b>Reaffirmed</b>
<b>Total</b>	11.03	11.03	INR Eleven Crores and Three Lakhs Only		

\*Please refer to BWR website [www.brickworkratings.com/](http://www.brickworkratings.com/) for definition of the ratings  
Issuer did not co-operate; based on best available information

#### Ratings: Downgraded/Reaffirmed

In view of the non availability of the information and lack of management cooperation, Brickwork Ratings has downgraded the rating to BWR B/A4 for the bank loan facilities amounting to Rs. 11.03 Crs of M/s A - Tex Home Collection

The lenders/investors may note to exercise due caution while using the above ratings which mentions "Issuer Not Cooperating" since the ratings lacks any projections or forward looking component as it is arrived based on the best available information on the company/firm without any management/banker's interaction.

**Nature of Non-co-operation:** The rating was due for a review in Jan ,2019. BWR took up with the issuer to provide required information over emails and through telephone calls. Despite the best efforts of BWR 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/Company, BWR



is unable to assess the issuer's/Company's financial performance and its ability to service its debt and maintain a valid rating.

**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.

**About the Company (Information as available in Jan, 2018)**

A-TEX Home collections based in Karur was incorporated in 1968, started by Mr Chandra Gounder. The business was taken over by his son Mr Ganeshan, and Mr. Ganeshan's sons Mr. Prithvi, Mr. Pradeep Kumar, and Mr. Prem Kumar in 2002. During 2012, the firm has again undergone reconstitution and since 2012, the business is being carried out by MR Prithvi and his wife Mrs P.Devi Akilandeswari as partners. The firm is in manufacturing Garment cover, home textiles (Table linen, pillow covers, screens, cushion covers) and chocolate pouches. Until 2002, operations were fully for domestic market and after 2002 entered export market. Now the firm carries 100% export oriented business to countries like Italy, Sweden, Hongkong, China, and USA.

**Rating History for the last three years (including withdrawn/suspended ratings)**

S.No	Facility	Current Rating (2019)			Rating History		
		Type	Amount (₹ Cr)	Rating^	22.04.19	19.01.18	22.11.16
	<b>Fund Based</b>	Long Term	1.03	Issuer Not Cooperating <b>BWR B</b> (BWR Single B) Outlook: Stable <b>Downgraded</b>	<b>Rating Not Reviewed</b>	<b>BWR B+</b> (BWR Single B Plus) Outlook: Stable	<b>BWR B+</b> (BWR Single B Plus) Outlook: Stable
		Short Term	10.00	Issuer Not Cooperating <b>BWR A4</b> (BWR A Four) <b>Reaffirmed</b>		<b>BWR A4</b> (BWR A Four)	<b>BWR A4</b> (BWR A Four)
	<b>Total</b>		11.03	<b>₹ Eleven Crores and Three Lakhs Only</b>			

^Issuer did not co-operate; based on best available information

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

### Hyperlink/Reference to applicable Criteria

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

For any other criteria obtain [hyperlinks](#) from website

### A -Tex Home Collection Annexure I

Particulars	Units	2017	2016
Net Sales/Revenues	₹ Cr	20.37	22.85
EBIDTA	₹ Cr	2.13	2.41
PAT	₹ Cr	0.98	1.02
Tangible Networth	₹ Cr	4.85	5.29
Total Debt : TNW	Times	1.48	1.09
Current Ratio	Times	1.52	1.71

*Note: As per information available with BWR*

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#### **Note on complexity levels of the rated instrument:**

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#### **About Brickwork Ratings**

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BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations.

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