

Rating Rationale

A -Tex Home Collection

30 Apr 2021

Brickwork Ratings has reviewed the Rating for the Bank Loan facilities of ₹ 15.88 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 (Feb 2020)	Present
Fund based	3.88	3.88	Long Term	BWR B + (Stable) Upgraded	BWR B (Stable) Downgraded Issuer Not Cooperating*
	12.00	12.00	Short Term	BWR A4 Reaffirmed	BWR A4 Reaffirmed Issuer Not Cooperating*
Total	15.88	15.88	₹ Fifteen Crores and Eighty Eight Lakhs Only		

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

Nature of Non-co-operation:

The rating was due for a review in Feb 2021. 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/ NDS (No Default Statements) from the firm on a regular basis, BWR is unable to assess the firm'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, Brickworks Ratings has downgraded the rating to BWR B (Stable)/ reaffirmed to A4 and categorized the ratings as "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 the information required for a review of the rating.

About the Company (Information as available in Feb 2020)

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 into manufacturing Garment cover, home textiles (Table linen, pillow covers, screens, cushion covers) and chocolate pouches.

Rating History for the last three years (including withdrawn/suspended ratings)

S. No	Instrument /Facility	Current Rating (2021)			Rating History		
		Type (Long Term/ Short Term)	Amount (₹ Cr)	Rating^	12Feb2020	29Aug2019	19Jan2018
1.	Fund Based	Long Term	3.88	BWR B (Stable) Downgraded Issuer Not Cooperating*	BWR B + (Stable) Upgraded	BWR B (Stable) Issuer Not Cooperating*	BWR B + (Stable) Reaffirmed
	Fund Based	Short Term	12.00	BWR A4 Reaffirmed Issuer Not Cooperating*	BWR A4 Reaffirmed	BWR A4 Issuer Not Cooperating*	BWR A4 Reaffirmed
	Total		15.88	₹ Fifteen Crores and Eighty Eight Lakhs Only			

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

Status of non-cooperation with previous CRA - NA

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [What Constitutes Non-Cooperation](#)

A-TEX Home Collection

Annexure I

Particulars	Units	2019	2018
Net Sales/Revenues	₹ Cr	36.93	21.21
EBIDTA	₹ Cr	3.62	2.00
PAT	₹ Cr	1.59	0.79
Tangible Networth	₹ Cr	8.94	5.50
Total Debt : TNW	Times	1.54	1.22
Current Ratio	Times	1.46	1.55

Note: As per information available with BWR

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