



Rating Rationale

ABans Finance Private Limited

13th July 2017

Brickwork Ratings assigns ratings for the Bank Loan Facilities of Rs.5.00 Crores of ABans Finance Private Limited, Mumbai, Maharashtra.

Particulars

Facility	Sanctioned Limit (Rs. Cr.)	Tenure	Rating
Fund Based Limit			
Bank Overdraft	5.00	Long Term	BWR BB+ (Pronounced as BWR Double B Plus) (Outlook: Stable)
Total	5.00	(INR Five Crores Only)	

**Please refer to BWR website www.brickworkratings.com for definition of the rating assigned.*

Note: The aforesaid facilities are sanctioned/ availed from Yes Bank

Rationale/Description of Key Rating Drivers/Rating sensitivities:

BWR has principally relied upon the audited financial results for FY15 and FY16 and publicly available information and information/clarification provided by the Company's management/Bank. The rating necessarily factors in, the promoters' experience in the commodity trading industry, support provided by the group and moderate capital adequacy ratio. However, the rating is constrained by high dependence on the revenue from commodity trading activities which has inherent volatility, high gearing ratio and high concentration of clientele in commodities business.

Rating Outlook: Stable

The 'Stable' outlook indicates a low likelihood of rating change over the medium term. The rating outlook may be revised to 'Positive' in case the revenues and profit show sustained improvement. The rating outlook may be revised to 'Negative' if the revenues go down and profit margins show lower than expected figures.

About the Group

ABans Group of companies was founded in 2009 is a diversified business group promoted by Mr. Abhishek Bansal . They provide various financial services & solutions in areas, which aims to provide an end-to-end financial solution to its clients. As a one-stop-shop, they offer the entire gamut of services catering to retail investors, domestic institutions & foreign institutional investors.

About the Company

ABans Finance Pvt. Ltd (AFPL) formerly known as Sofed Comtrade Private Ltd. Is a part of ABans Group of Companies with a registered office in Mumbai. AFPL is an NBFC registered



with the RBI, in the category of non-acceptance of public deposits .They deal in the business of holding, investing & trading in the securities. The company also advances loan to other associate companies within the Abans Group.

Company Financial Performance

The Company reported Total Income of Rs.9.21 Crores., Operating Profit of Rs.0.36 Crores and Net profit of Rs.0.24 Crores as per audited financials of FY 16.The Networth of the company for the same period was Rs.0.55 Cr.

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

Sl. No.	Instrument / Facility	Current Rating (Year 2017)			Rating History			
		Type	Amount (Rs Crs)	Rating	2016		2015	2014
		Fund Based			Amount (Rs Crs)	Rating		
1	Bank Overdraft	Long Term	5.00	BWR BB+ (Outlook: Stable)	NA	NA	NA	NA

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [NBFC Entities](#)

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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 Investors queries can be sent to 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.