

RATING RATIONALE

AD Trading Co

Brickwork Ratings Revised the ratings for the Bank Loan Facilities of ₹ 21.30 Crores of AD Trading Co based on best available information, as the issuer did not cooperate.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating*	
	Previous	Present		Previous (March, 2019)	Present
Fund based Cash Credit Limit O.D Limit	19.50 1.80	19.50 1.80	Long Term	BWR B Stable	BWR B- Stable Downgrade Issuer Not Cooperating#
Total	21.30	21.30	Twenty One Crores Thirty 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

RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

BWR Revised the long term bank loan ratings to BWR B- based on the best available information as the Issuer did not Cooperate.

Initially BWR had rated Bank Loan facilities amounting of Rs. 8.00 Crs (Fund based) of AD Trading Company on 05 December 2017. The rating assigned was a long term rating of BWR B Stable and Short term rating of BWR A4. The rating was due for review in December 2018 and Moved to RNR Category on 06.03.2019. Further BWR has rated Bank Loan Facilities amounting of Rs 21.30 crores (Fund Based) on 19.03.2019 and assigned long term rating of BWR B Stable and withdrawal short term rating of BWR A4. The rating was due for review in March 2020 and moved to RNR category on 20.03.2020. 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/bank, 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. Users of the credit ratings 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.

KEY FINANCIAL INDICATORS (in ₹ Cr) [AS AVAILABLE WITH BWR]

Key Parameters	Units	FY18	FY17
Result Type		Audited	Audited
Total Operating Income	Crs	7.78	5.57
EBIDTA	Crs	0.70	0.24
PAT	Crs	0.07	0.06
Tangible Net Worth	Crs	2.07	2.02
TOL/TNW	Times	6.23	3.10
Current Ratio	Times	1.25	2.72

COMPANY PROFILE [AS AVAILABLE WITH BWR]

A.D Trading Company is Amritsar Punjab based proprietorship entity established in October 2016, by Mr Akash Arora for wholesale trading of paddy and rice.. ADTC is currently managed by Mr Akash Arora. The firm has its unit located at Mandi Bhagtawalan Amritsar.

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY : NA

RATING HISTORY

Instrument /Facilities	Current Rating			Rating History		
	Tenure (Long Term/ Short Term)	Amount (₹ Cr)	Rating	2019	2018	2017
Fund Based Cash Credit Limit O.D Limit	Long Term	19.50 1.80	BWR B- (Downgrade) Issuer Not Cooperating	BWR B Stable	NA	BWR B
Fund Based Goods Loan	Short Term	Withdrawal	NA	BWR A4
Total		21.30	INR Twenty One Crores Thirty Lakhs Only			

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

COMPLEXITY LEVELS OF THE INSTRUMENTS

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

[General Criteria](#)

[Approach to Financial Ratios](#)

[What Constitutes Non-Cooperation](#)

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ANNEXURE I

AD Trading Co

Details of Bank Facilities rated by BWR

Sl.No.	Name of the Bank	Type of Facilities	Long Term [₹ Cr]	Total[₹ Cr]
1	Punjab National Bank	<u>Fund Based</u> Cash Credit Limit	19.50	19.50
2.	Karnataka Bank	<u>Fund Based</u> O.D Limit	1.80	1.80
TOTAL INR TWENTY ONE CRORES THIRTY LAKHS RUPEES ONLY				21.30

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