



## Rating Rationale

A.M.Exports

25<sup>th</sup> Jan 2017

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### Brickwork Ratings reaffirms the ratings for the Bank Loan Facilities of A.M.Exports

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#### Particulars

Facility Rated	Amount (Rs. Crs)		Tenure	Rating *	
	Previous	Present		Previous	Present
<b>Fund Based</b> PC/PCFC FBP/FCBD/P SDL	6.00 9.95	6.00 9.95	Short Term	BWR A4+	BWR A4+
<b>Non-Fund Based</b> Stand By Limit under Gold Card	1.75	1.75	Short Term	BWR A4+	BWR A4+
<b>Total</b>	<b>17.70Crores</b>	<b>Rs. 17.70 Crores (Rupees Seventeen Crores and Seventy Lakhs Only.)</b>			

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

#### Rating Reaffirmed

Brickwork Ratings Reaffirms 'BWR A4+' rating to the ₹ 17.70 Cr short term Bank Loan Facilities of A.M. Exports.

#### Rationale/Description of Key Rating Drivers/Rating sensitivities:

BWR has principally relied upon the audited financial statements up to FY16 and projections of FY17 to FY-18, publicly available information and information / clarifications provided by the management. The rating, inter alia, factors experience of the partners' in the Diamonds



business, geographical diversification of operations resulting in better labour accessibility and investments in machineries.

However, the rating is constrained by the firm's modest scale of operations, moderate financial profile marked by small net worth, high gearing and low profitability margins.

### About the Company

A M Exports is a partnership firm managed by Mr. Mihir R Kothari, and Aashay Kothari. The firm was established in the year 1993 and is engaged in trading and manufacturing of small diamonds. The firm outsources cutting and polishing of diamonds to contractors in Surat , Ahmedabad , Palanpur , Bhavnagar , Amreli. The firm imports rough diamonds from Belgium and Dubai and exports polished diamonds to various countries like U.S.A, Belgium, Dubai, Thailand and Hong Kong.

### Management Profile:

The key management of the firm is Mr. Mihir Kothari & Mr. Aashay Kothari. Mr. Mihir Kothari, Partner is a Graduate and has an experience in the field of more than Three decades in this field. He handles day to day activities of operation along with procurements and supply of material. Mr. Aashay, Partner is Graduate and assisting Mr. Mihir Kothari in day to day operations.

### Company Financial Performance

Net Revenues decreased by 8.23 % in FY 16 compared to FY 15. Due to this PAT decreased by 17.24% in FY16 compared to FY15. The firm has working capital facilities from Bank of Baroda. The overall limits amounts to ₹17.70Crores.

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

Sl. No.	Instrument/Facility	Current Rating (Year 2017)			Rating History		
		Type (Long Term/Short Term)	Amount (Rs Crs)	Rating	2016	1st Sept 2015	14 <sup>th</sup> Mar 2014
1	Fund Based PC/PCFC FBP/FCBD/PSDL	Short Term	6.00 9.95	BWR A4+	-	BWR A4+	BWR A4+
2	Non-Fund Based Stand By Limit under Gold Card	Short Term	1.75	BWR A4+	-	BWR A4+	BWR A4+



## Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [Manufacturing Companies](#)
- [Short Term Debt](#)

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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.

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