

RATING RATIONALE

29 Sept 2020

AMI Enterprises

Brickwork Ratings reviews the ratings for the Bank Loan Facilities of ₹ 12.50 Crores of AMI Enterprises (AMIE or “The Firm”) based on best available information, as the issuer did not cooperate.

Particulars

| Facility | Amount (₹ Cr) | | Tenure | Rating# | |
|----------------|---------------|--------------|---|-------------------------------|---|
| | Previous | Present | | Previous (August, 2019) | Present^ |
| Fund based | 1.00 | 1.00 | Long Term | BWR B+/Stable [Downgraded] | Issuer Not Cooperating* BWR B/Stable [Downgraded] |
| Non Fund based | 11.50 | 11.50 | Short Term | BWR A4 [Downgraded] | Issuer Not Cooperating* BWR A4 [Reaffirmed] |
| Total | 12.50 | 12.50 | INR Twelve Crores and Fifty Lakhs Only | | |

Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

* Issuer did not cooperate, based on best available information.

^Rating moved to the Not Reviewed Category in August 2020.

Details of Bank facilities is provided in Annexure-I

RATING : Downgraded and migrated to the ‘Issuer Not Cooperating’ category.

NATURE OF NON-COOPERATION:

The rating was due for review in August, 2020. BWR took up with the issuer to provide required information over emails and through telephonic communication.

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, BWR is unable to assess the issuer’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.

COMPANY PROFILE (Information available as of July 2019)

AMIE is a partnership firm established on 20th March 2014 by Mr. Mithun Shah and Mr. Tejas Mhatre as the partners with experience in wholesale trading. AMIE is engaged in the wholesale business of Watches, Fashion Accessories, Food Products and Building Material. AMI imports its products from the International market and sells them in India and Middle East Market directly to the retailers and through e-commerce retailers including Flipkart, Snapdeal, Amazon etc.

Key financials Indicators:

| Key Parameters | Unit | FY2017 | FY2018 |
|--------------------------------|---------|---------|---------|
| Result Type | | Audited | Audited |
| Operating Income | Rs. Crs | 35.23 | 36.78 |
| EBITDA | Rs. Crs | 0.93 | 0.69 |
| Profit After Tax | Rs. Crs | 0.42 | 0.12 |
| Tangible Net Worth | Rs. Crs | 4.18 | 4.29 |
| Total Debt /Tangible Net worth | Times | 2.01 | 1.96 |
| Current Ratio | Times | 1.34 | 1.37 |

(As per information available with BWR)

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY : Not Applicable

ANY OTHER INFORMATION: Not Applicable

RATING HISTORY FOR THE PREVIOUS THREE YEARS [INCLUDING WITHDRAWAL AND SUSPENDED]

| Instrument / Facilities | Current Rating | | | Rating History | | |
|-------------------------|--------------------------------|---------------|--|-----------------------------------|--------------------------------|------|
| | Tenure (Long Term/ Short Term) | Amount (₹ Cr) | Rating [^] | 20 August 2019 | 30 March 2018 | 2017 |
| Fund Based | Long Term | 1.00 | Issuer Not cooperating*; BWR B/Stable [Downgraded] | BWR B+/ Stable [Downgraded] | BWR BB-/Stable [Reaffirmed] | - |
| Non Fund Based | Short Term | 11.50 | Issuer Not cooperating*; BWR A4 [Reaffirmed] | BWR A4 [Reaffirmed] | BWR A4 [Reaffirmed] | - |
| Total | | 12.50 | INR Twelve Crores and Fifty Lakhs Only | | | |

* Issuer did not cooperate, based on best available information.

[^]Rating moved to Rating Not Reviewed Category in August 2020.

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](#)
- [Rating Criteria for Trading Entities](#)

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ANNEXURE I

AMI Enterprises

Details of Bank Facilities rated by BWR

| Sl.No. | Name of the Bank | Type of Facilities | Long Term [₹ Cr] | Short Term [₹ Cr] | Total [₹ Cr] |
|--------------|---------------------|---|------------------|-------------------|--------------|
| 1. | Union Bank of India | Cash Credit | 1.00 | - | 1.00 |
| 2. | | FDBP/FUDBP (Sublimit of Cash Credit) | - | (1.00) | (1.00) |
| 3. | | Packing Credit (Sublimit of Cash Credit) | - | (1.00) | (1.00) |
| 4. | | Letter of Credit | - | 11.50 | 11.50 |
| 5. | | Buyer's Credit (Sublimit of Letter of Credit) | - | (9.00) | (9.00) |
| TOTAL | | | | | 12.50 |

Total Rupees Twelve Crores and Fifty Lakhs only.



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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.