Rating Rationale

25 November 2020

APOORVA TRADING COMPANY

Brickwork Ratings has reviewed the ratings assigned to the bank loan facilities of Rs. 5.41 crore of the Apoorva Trading Company based on best available information, as the entity did not cooperate.

Particulars

Facilities#	Previous Rated Amount Rs. Crs	Present Rating Amount Rs. Crs	Tenure	Rating[1]	
				Previous Ratings^	Present Rating*
Fund Based	6.00	6.00	Long Term	**BWR B-/Negative Issuer Not Cooperating* Downgraded**	**BWR C Issuer Not Cooperating* Downgrade**
Total	**6.00**	**Rs. 6.00 Crore (Rupees Six Crores Only)**			

**Issuer Not Cooperating: Based on best available information*
1 Please refer to BWR website www.brickworkratings.com/ for definition of the ratings
#Note: Details of Bank facilities are provided in Annexure I

Rating downgraded and continued to ISSUER NOT COOPERATING* category

Nature of Non-Cooperation:
The rating was due for a review in November 2020. Brickwork Ratings (BWR) took up with the entity to provide required information over emails and through telephone communication. Despite the best efforts of Brickwork Ratings to get at least the minimum required information for a review, the entity has not provided the same. Hence, the ratings were continued to the 'Not Reviewed' category. In the absence of adequate information from the issuer and continued lack of management cooperation, Brickwork Ratings is unable to assess the issuer's financial performance and its ability to service its debt and maintain valid ratings. The entity has not been submitting NDS to BWR. Based on inadequate information and continued lack of management cooperation, Brickwork Ratings has downgraded the long term rating to 'BWR C from BWR B-/Negative and continues to the Issuer Not Cooperating* category.

LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, non cooperation 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 withholding of information required for a review of the rating.

About the entity

Apoorva Trading Company (ATC) is proprietorship concern established in February, 2001 by Mr Giridhar Khandelwal. The firm is located in Malhar Ganj, Indore. The entity is involved in the business of Agricultural processing and trading of pulses (Chana, Chana Dal),wheat and Soybean.

Mr Giridhar Khandelwal is the proprietor of the entity, He has over 25 years of business experience.

No financial information has been submitted to BWR over the last two years

Key Covenants of the facility rated: The terms of sanction include standard covenants normally stipulated for such facilities.

Status of non-cooperation with previous CRA – NA

Rating History for the last three years (Including Withdrawn/Suspended)

Sl. No.	Facilities	Current Ratings (2020)			Ratings History		
		Type	Amount (Rs. Cr)	Ratings^	(21.11.2019)	(20.06.2018)	(2017)
1	**Fund Based**	Long Term	6.00	**BWR C Issuer Not Cooperating* Downgrade**	**BWR B-/Negative Issuer Not Cooperating* Downgraded**	**BWR B+/Stable Assigned**	-
Total			**Rs. 6.00 Crore (Rupees. Six Crores Only)**				

^Not Reviewed the outstanding rating of BWR B+ (Stable) on 23rd September2019

* Issuer did not cooperate; Based on best available information

Existing Rating From any other CRA: NA

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
- Manufacturing Companies
- What Constitutes Non-Cooperation

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Apoorva Trading Company

Annexure I: Details of Bank Facilities rated

Sl. No.	Name of the Bank	Type of Facilities	Long Term (Rs. Cr)	Short Term (Rs. Cr)	Total (Rs. Cr)
1	Union Bank of India	**Fund Based** Cash Credit	6.00	-	6.00
TOTAL - Rupees Six Crores Only					**6.00**

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