Rating Rationale

Aadishwar Global Corp

31 March, 2017

Brickwork Ratings assigns ratings for the Bank Loan Facilities of Aadishwar Global Corp

Particulars

Facility Rated	Amount (Rs. Crs)	Tenure	Rating *
Fund Based **Cash Credit** **Term Loan**	 **0.60** **0.21**	**Long Term**	**BWR B+** **(Pronounced as BWR B Plus)** **Outlook: Stable**
Packing Credit cum FBP & FBD **Stand by limit under PC - Gold Card Scheme**	**4.00** **0.55**	**Short Term**	**BWR A4** **(Pronounced as BWR A Four)**
Non-Fund Based	**-** **-**	**NA**	**NA**
Total	**5.36**	**(INR Five Crores and Thirty Six Lakhs Only)**	

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

Rationale/Description of Key Rating Drivers/Rating sensitivities:

The assigned ratings derive comfort from the experienced proprietor in the firm with long track record of business in the textile industry, besides increase in revenues and moderate debt protection metrics coupled with low gearing ratio in FY16.The ratings are, however, constrained by declining profitability margins and low net worth of the firm.

Rating Outlook: Stable

BWR believes the Aadishwar Global Corp.'s business risk profile will be maintained over the medium term. 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 Company

Aadishwar Global Corp. was established as a proprietorship firm in 2007by Mr. Ashish Jain. The firm is based at Ludhiana and is engaged in the manufacturing of knitted fabric items like T-shirts, sports vest, leggings, ensembles, ladies & kids garments amongst others. It also exports all types of yarns, knitted fabrics and readymade garments to international markets in Hong Kong and the U.K..

Company Financial Performance

Net Revenue from the operations has increased from Rs.33.61 Cr in FY15 to Rs.46.09 Cr in FY16 and PAT improved from Rs.0.12 Cr in FY15 to Rs.0.13 Cr in FY16. Tangible net worth of the firm stood at 2.59 Cr as on 31st March 2016.

Rating History for the last three years: (including withdrawn/suspended ratings)

S.No.	Instrument/Facility	Current Rating (Year 2017)			Rating History		
		Fund Based	**Amount (RsCrs)**	**BWR B+**	**2016**	**2015**	**2014**
1	Cash Credit	(Long Term)	0.60	(Pronounced as BWR Single B Plus)	**NA**	**NA**	**NA**
2	Term Loan		0.21	Outlook: Stable			
3	Packing Credit Limit Cum FBP/FBD	Short Term	4.00	BWR A4			
4	Stand by limit under PC - Gold Card Scheme		0.55	(Pronounced as BWR A Four)			
	-	**Non-Fund Based**	-	-			
Total			**5.36**	**(Rupee Five Crores and Thirty Six Lakhs Only)**			

Status of non-cooperation with previous CRA (if applicable): NA

Any other information: NA

Hyperlink/Reference to Applicable Criteria

- **General Criteria**
- **Approach to Financial Ratios**
  Manufacturing Companies
- **Trading Entities**
- **Short Term Debt**

For any other criteria obtain hyperlinks from website

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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.