

RATING RATIONALE

21 Mar 2020

Aarti Traders

Brickwork Ratings reaffirms the ratings for the Bank Loan Facilities of ₹6.00 Crores of Aarti Traders based on best available information, as the issuer did not cooperate.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (June 2015)	Present
Fund based	6.00	6.00	Long Term	BWR B+/Stable	BWR B+/Stable (Reaffirmed) Issuer Not Cooperating*
Total	6.00	6.00	INR Six Crores Only		

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

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

RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

In view of the non-availability of the information, non-submission of monthly statement as per regulatory requirements and lack of management cooperation, Brickwork Ratings has reaffirmed the long term rating as ‘BWR B+/Stable Issuer Not Cooperating’ for the bank loan facilities amounting to ₹6.00 Cr of Aarti Traders.

The lenders may note to exercise due caution while using the above ratings, which mentions “Issuer Not Cooperating” since the ratings lack any projections of a forward looking component as it is arrived based on the best available information on the firm without any management/ banker’s interaction.

The rating was due for a review in June 2016. 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, 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.

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

Key Parameters	Units	FY14
Result Type		Audited
Total Operating Income	₹ Cr	36.96
Operating Profit	₹ Cr	1.32
Net Profit	₹ Cr	0.51
Tangible Network	₹ Cr	2.71
Total Debt: Tangible Network	Times	3.14
Current Ratio	Times	1.66

PROFILE OF THE FIRM

Aarti Traders is a proprietary firm started in 1992 by Suresh Keswani. The firm is located in Thane, Maharashtra. It is primarily involved in manufacture of finished fabric, which involves conversion of plain cloth to grey fabric, stitching on the embroidery, dying and finally packaging. The Firm is managed by Mr. Suresh Keswani who has over 20 years of experience in the current line of business. It procures the raw material and sells it to retail customers in and around Thane.

NON-COOPERATION WITH PREVIOUS RATING AGENCY: NA

RATING HISTORY

Facilities	Current Rating (2020)			Rating History			
	Tenure	Amount (₹ Cr)	Rating	2019	2018	2017	30.12.2016
Fund Based	Long Term	6.00	BWR B+ (Reaffirmed) Issuer did not Cooperate	Not Rated	Not Rated	Not Rated	Rating Not Reviewed
Total		6.00	INR Six Crores Only				



The firm was initially rated in July 2013 with a long term rating of BWR B/Stable and short term rating of BWR A4. The long term rating was then upgraded to BWR B+/Stable in June 2015 while withdrawing the short term rating.

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](#)

Analytical Contacts	Investor and Media Relations
<p>G Rajaram Analyst Board: +91 80 4040 9940 Ext: 344 rajaram.g@brickworkratings.com</p> <p>A P Kamath Sr. Director – Ratings Board: +91 80 4040 9940 apkamath@brickworkratings.com</p>	<p>Liena Thakur Assistant Vice President - Corporate Communications +91 84339 94686 liena.t@brickworkratings.com</p>

Aarti Traders

ANNEXURE I

Details of Bank Facilities rated by BWR

Name of the Bank	Type of Facilities	Long Term (₹ Cr)	Short Term (₹ Cr)	Total (₹ Cr)
Bank of Baroda	Cash Credit	6.00	-	6.00
Total				6.00



For print and digital media

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DISCLAIMER

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