



## RATING RATIONALE

Abika Hotels

26 March 2020

**Brickwork Ratings downgrades the long term rating for the Bank Loan Facilities of ₹8.00 Crores of Abika Hotels on best available information, as the issuer did not cooperate.**

### Particulars

Facility Rated	Amount(Rs Crs)		Tenure	Rating#	
	Previous	Present		Previous (March 2018)	Present
<b>Fund Based Term Loan</b>	<b>8.00</b>	<b>8.00</b>	<b>Long Term</b>	<b>BWR B- (Outlook:Stable) (Pronounced as BWR B Minus) Issuer Not Cooperating*</b>	<b>BWR C+ Downgraded Issuer Not Cooperating*</b>
<b>Total</b>	<b>8.00</b>	<b>8.00</b>	<b>Rs 8.00 Crores(Rupees Eight Crore Only)</b>		

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

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

Details of Bank facilities is provided in Annexure-I

### RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

The rating of Long term Bank Loan Facilities of the firm have been Downgraded to BWR C+ based on best available information under ‘Issuer Not Cooperating’ category because the company has not provided any information/papers despite our various communications vide email/phone calls/messages The bankers have also not replied to our various mails regarding conduct of account.

BWR took up with the issuer consistently to provide required information over emails dated 28 May 2019,28 Feb 2020,5 March 2020,18 March 2020 and telephonic communication. Emails were sent to banker dated 30 May 2019,28 Feb 2020,5 March 2020,18 March 2020. Despite the best efforts of BWR to get at least the minimum required information for a review, the entity have not provided the same. In the absence of adequate information from the entity, BWR is unable to assess the company’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. 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 and withholding of information required for a review of the rating.

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

Key Parameters	Units	FY 16
Result Type		Audited
Net Sales/Revenues	₹ Cr	-
EBITDA	₹ Cr	-
PAT	₹ Cr	-
Tangible Networth	₹ Cr	1.13
Total Debt : TNW	Times	5.35

**COMPANY PROFILE(As per the information available in Dec 2016)**

M/s Abika Hotels is a partnership firm established on 01.08.2014 in Ujjain , Madhya Pradesh.Mr Ashok Jhalani, Mr Umesh Chandra Jhalani, Mr Mahesh Jhalani, Mr Aditya Jhalani and MrBharat Jhalani are the partners of the firm. All partners are relatives.Abika Hotel is a 3 StarLuxury hotel , total capacity of 54 rooms with other facilities such as banquet , marriage hall andlawn, restaurant , cafeteria etc. The hotel is at 1km distance from Railway Station and 1.5 fromMahakaleshwar Jyotirlinga

**NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY : NA**

## RATING HISTORY

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

Instrument / Facilities	Current Rating			Rating History		
	Tenure	Amount (₹ Cr)	Rating	2019	23.03.2018	23.12.2016
<b>Fund Based Term Loan</b>	<b>Long Term</b>	<b>8.00</b>	<b>BWR C+ Downgraded Issuer Not Cooperating</b>	<b>Not Rated</b>	<b>BWR B- (Outlook: Stable) (Pronounced as BWR B Minus) Issuer Not Cooperating</b>	<b>BWR B (Outlook:Stable) (Pronounced as BWR Single B)</b>
<b>Total</b>		<b>8.00</b>	<b>INR Eight Crores Only</b>			

## COMPLEXITY LEVELS OF THE INSTRUMENTS

For more information, visit [www.brickworkratings.com/download/ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf)

### Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [What Constitutes Non-Cooperation](#)

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### ANNEXURE I

Abika Hotels

#### 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)	Madhya Pradesh Financial Corporation	Fund Based Term Loan	8.00	-	8.00
<b>TOTAL</b>					<b>8.00</b>

**Total Rupees Eight Crores Only**

### ANNEXURE II

#### INSTRUMENT (NCD/Bonds/CP) DETAILS

Instrument	Issue Date	Amount in ₹ Cr	Coupon Rate	Maturity Date	ISIN Particulars
NA	NA	NA	NA	NA	NA

### ANNEXURE III

#### List of entities consolidated

Name of Entity	% ownership	Extent of consolidation	Rationale for consolidation
NA	NA	NA	NA



### **For print and digital media**

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### **DISCLAIMER**

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