

## Rating Rationale

Afflatus Trading Private Limited

12<sup>th</sup> April 2017

**Brickwork Ratings reaffirms the ratings for the Bank Loan Facilities of ₹ 18.00 Crs of Afflatus Trading Private Limited (ATPL or the ‘Company’).**

### Particulars

Facility Rated	Amount (₹ Crs)	Amount (₹ Crs)	Tenure	Ratings <sup>^</sup>	
	Previous	Present		Previous (11-04-2016)	Present
Non – Fund Based	18.00	18.00	Short Term	BWR A2+ (SO)	Reaffirmed BWR A2+ (SO)
Total	18.00	18.00	(Rupees Eighteen Crore Only)		

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

### Rating Reaffirmed

#### Rationale/Description of Key Rating Drivers/Rating sensitivities:

The rating continues to derive strength from the unconditional, irrevocable and continuing corporate guarantee for the entire bank facility from Assam Roofing Ltd (ARL, holding company of ATPL), the strong operational and financial linkages of ATPL with ARL and other Assam Roofing Group companies and the comfort provided by the parent company in ensuring regular servicing of its financial commitments. ATPL is importing raw materials for captive consumption for manufacturing of roofing sheets by the Assam Group. However, the rating is constrained by small scale and short track record of operations of the Company. The rating reflects the position of the Company in roofing segment. The loans are backed by an unconditional, irrevocable and continuing corporate guarantee from Assam Roofing Limited. Going forward, the Company’s ability of the company to manage the raw material price fluctuation risks, regulatory risks and continuing support from the Group to ensure that there are no defaults in meeting its commitments would be key rating sensitivities.

### Rating Outlook: Stable

BWR believes the Afflatus Trading Private Limited 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:

Afflatus Trading Private Limited (ATPL) incorporated in 2010, is a wholly owned subsidiary of Assam Roofing Limited (ARL) promoted by Mr. Bhagirath Pasari and Mr. Ramesh Kumar Laddha. The main objective of the Company is to import certain raw materials, including zinc ingots and asbestos fiber, required by the Group for captive consumption for the manufacture of roofing sheets by the other companies of Assam Roofing Group (Includes Assam Roofing Ltd, PDP Steel Ltd, and North East Roofing Pvt. Ltd). The Company is located in Guwahati, Assam. ATPL is not involved in any other trading activity other than related to group.

### Company Financial Performance

The Company has recorded operating income of ₹ 94.27 Crs against ₹ 83.64 Crores in FY15 registering a 12.71% increase over the previous year and PAT of ₹ 0.12 Crs against ₹ 0.33 Crs in FY15.

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

Sl No	Instrument / Facility	Current Rating (2017)			Rating History		
		Type (Long Term/ Short Term)	Amount (₹ Crs)	Rating	Rating assigned in 11-4-2016	Rating assigned in 31-3-2015	Rating assigned in 28-2-2014
1	Fund Based	Long Term	0.00	-	-	-	-
2	Non Fund Based	Short Term	18.00	BWR A2+ (SO)	BWR A2+ (SO)	BWR A2+ (SO)	BWR A2+ (SO)

### Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [Manufacturing Companies](#)

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**For print and digital media**

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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](http://www.brickworkratings.com/download/ComplexityLevels.pdf) Investors queries can be sent to [info@brickworkratings.com](mailto: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.

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