



RATING RATIONALE

10 Dec 2020

Aggarwal Laminates

Brickwork Ratings Revises the Long Term rating for the Bank Loan Facilities of ₹. 7.00 Crores of Aggarwal Laminates based on the best available information, as the issuer did not cooperate.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (Nov, 2019)	Present
Fund Based Cash Credit Term Loan**	1.00 6.00	1.00 6.00	Long Term	BWR B (Stable) [Assignment]	BWR B- (Stable) [Downgraded] “Issuer Not Cooperating”*
Total	7.00	7.00	INR Seven crores only		

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

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

**Balance as per information available with BWR in Nov' 2019

Details of Bank facilities provided in Annexure-I

RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

The long term rating has been downgraded to BWR B- (Stable) for the Bank Loan Facilities of the firm under the ‘Issuer Not Cooperating’ category, based on the below said updates.

BWR had initially assigned rating of BWR B (Stable) for the bank loan facilities on 04 Nov' 2019. The rating was due for review in Nov' 2020. BWR took up with the issuer consistently to provide required information over emails apart from telephonic communication. Monthly No Default Statement (NDS) is not being submitted by the client. Further, as per banker's feedback dated 19.11.2020, bank loan facilities have been taken over by HDFC Bank. Accordingly, present conduct of account is not available with us. 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 firm, BWR is unable to assess the firm'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 2021	FY 2020
Result Type		Projected	Projected
Operating Income	₹ Cr	26.30	21.74
EBIDTA	₹ Cr	2.61	2.14
PAT	₹ Cr	0.49	0.01
Tangible Networth	₹ Cr	4.84	4.34
Total Debt : TNW	Times	1.22	1.54
Current Ratio	Times	1.20	1.06

COMPANY PROFILE (As available with BWR in Nov, 2019)

The partnership deed of M/S Aggarwal Laminates was executed on 01.07.18 with 3 partners namely Aarti Aggarwal, Ruchi Aggarwal, and Charu Aggarwal with an objective of manufacturing laminates of all sizes & thickness. On 17.04.19 the deed was altered to admit Ravinder Kumar as a partner. The registered office and manufacturing unit are located in Pathankot, Punjab. Commercial production began in April 2019. The total manufacturing capacity of the plant is 5400 MTPA and the estimated capacity utilization is 60%, 70%, 80% and 90% in the 1st (FY19-20), 2nd, 3rd and 4th year respectively. The factory will be operational 18 hours/day, 300 days/year, currently employing 65 employees across all categories. Actual sales figures for Q1 FY 19-20 is Rs.3.46 crs.

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: Not Available

RATING HISTORY FOR THE PAST THREE YEARS [including withdrawal and suspended]

Facilities	Current Rating			Rating History		
	Tenure (Long Term/ Short Term)	Amount (₹ Cr)	Rating	04 Nov' 2019	2018	2017
Fund Based Cash Credit Term Loan*	Long Term	1.00 6.00	BWR B- (Stable) [Downgraded] "Issuer Not Cooperating"	BWR B (Stable) [Assignment]	NA	NA
Total		7.00	INR Seven crores only			

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](#)

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ANNEXURE I

Aggarwal Laminates

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.	Canara Bank	Cash Credit	1.00	-	1.00
		Term Loan	6.00	-	6.00
TOTAL					7.00

Total Rupees Seven crores only.



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