

**Rating Rationale**

**Ambika Decor Pvt Ltd**

**Brickwork Ratings downgrades the long term rating of Rs. 7.10 Crores of Ambika Decor Pvt Ltd based on best available information, as the issuer did not cooperate. Accordingly the rating for the said instrument is as under**

**Particulars**

Facility	Amount (₹ Cr)		Tenure	Rating*	
	Previous	Present		Previous (Oct 2019)	Present
<b>Fund based Cash Credit Term Loan</b>	<b>2.50</b> <b>4.60</b>	<b>2.50</b> <b>4.60</b>	<b>Long Term</b>	<b>BWR C+ Issuer Not Cooperating*</b>	<b>BWR C- [Downgraded] Issuer Not Cooperating*</b>
<b>Total</b>	<b>7.10</b>	<b>7.10</b>	<b>₹ Seven Crores and Ten Lakhs 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 provided in Annexure-I

**RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION.**

The rating of the Bank Loan Facilities of the company have been downgraded to the long term rating to BWR C- under ‘Issuer Not Cooperating’ category from BWR C+. BWR has been consistently following up with the entity management which has remained non co-operative to submit the information/papers required for the review of rating despite our regular follow up.

BWR had initially rated Bank Loan facilities amounting to Rs.7.10 Crs in July, 2018 assigning rating of BWR B-/Stable. The rating was moved to RNR in July 2019. Subsequently, the long term rating was downgraded to BWR C+ in Oct 2019. BWR took up with the issuer consistently to provide required information over emails and telephonically dated 1.09.2020, 2.9.2020, 7.9.2020, 14.09.2020, 5.10.2020 and 16.10.2020. However, since long follow up , we have not received documents/papers for the same. Further, BWR also took follow up with the banker for conduct of account over various emails dated 1.09.2020, 2.9.2020, 7.9.2020, 14.09.2020, 5.10.2020 and 16.10.2020. However, the banker has not responded to provide the feedback. 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 entity’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]**

<b>Particulars</b>	<b>Units</b>	<b>2017</b>	<b>2016</b>
<b>Result Type</b>		<b>Audited</b>	<b>Audited</b>
Net Sales/Revenues	₹ Cr	7.74	6.41
EBITDA	₹ Cr	0.48	(0.51)
PAT	₹ Cr	(1.34)	(1.93)
TNW	₹ Cr	(1.65)	(1.04)
Total Debt : TNW	Times	(6.76)	(11.13)
Current Ratio	Times	0.32	0.37

**COMPANY PROFILE**

M/S Ambika Decor Pvt Ltd (ADPL) was incorporated in the year 2011. ADPL is located in Indore, M.P. ADPL is engaged in manufacturing paper based decorative laminated sheets and adhesive glues. ADPL is promoted by Mr. Yogesh Sharma, Mr. Rajesh Sharma, Mr. Ravi Patel and Mr. Manoj Patel. ADPL has a manufacturing facility in Pithampur Industrial Area, Dhar (Madhya Pradesh).

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

**RATING HISTORY FOR LAST 3 YEARS ( INCLUDING WITHDRAWN/SUSPENDED)**

Facilities	Current Rating 2020			Rating History						
	Current Rating			4 Oct 2019			9 Jul 2018			2017
Bank Loan										NA
	FB	7.10	BWR C- (Downgraded) Issuer Not Cooperating*	FB	7.10	BWR C+ (Downgraded) Issuer Not Cooperating*	FB	7.10	BWR B-Stable (Assigned)	

\*Issuer did not cooperate; based on best available information

**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

#### Ambika Decor Pvt Ltd

#### 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.	Bank of India	<u>Fund based</u> Cash Credit Term Loan	2.50 4.60	-	7.10
<b>TOTAL</b>					<b>7.10</b>

#### INR Seven Crores and Ten Lakhs Only

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BWR has rated over 11,400 medium and large corporates and financial institutions' instruments. BWR has also rated NGOs, Educational Institutions, Hospitals, Real Estate Developers, Urban Local Bodies and Municipal Corporations. BWR has Canara Bank, a leading public sector bank, as one of the promoters and strategic partners. BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations.

**DISCLAIMER** Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented "as is" without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.