

## Rating Rationale

### Brickwork Ratings assigns BWR BB-/A4 for the Bank Loan Facilities aggregating to ₹ 30.00 Cr of Anita International

Brickwork Ratings has assigned following **Rating<sup>1</sup>** for the Bank Loan Facilities of Anita International (AI or the “**Firm**”):-

Facility	Existing Rating in Crs.	Tenure	Rating Assigned
<b>Fund Based/Non Fund Based</b>			
Letter of Credit/ Buyer's Credit	30.00	Short Term	BWR A4 Pronounced BWR A Four
<b>Fund Based</b>			
Cash Credit as sub limit of LC	(5.00)	Long Term	BWR BB- Pronounced BWR Double B Minus Outlook: Stable
<b>Total</b>	<b>30.00</b>	<b>INR Thirty Crores Only</b>	

BWR has essentially relied upon audited financial results of Anita International upto FY16 and projected financials for FY17 and FY18, publicly available information and information provided by the management.

The rating has, inter alia, factored in the experienced management, moderate tangible networth. Also as informed by the managed the firm has already achieved a sales of Rs 30.16 Crores during H1FY17. The rating is, however, constrained by weak debt protection metrics, stretched liquidity position and high volatility in the sales over the period of last three years under consideration.

#### Background:

M/s Anita International was established on 04.01.94 by Shri Suhash Chander Kathuria who is the proprietor of the firm.

The firm is engaged in the business of import and reselling of various types of grades of ferrous and non ferrous items, ferrous alloys, plastic & PVC Raw Material, Paper, Yarn Dyed, Rubber Wood and other multiple items.

#### Financial Performance:

As per the audited financials for FY16, AI's gross sales from operations stood at Rs. 34.74 Crs. against Rs. 52.92 Crs. in FY15. Profit after Tax for the firm stood at Rs. 0.81 Crores in FY16. The firm's capital stood at Rs. 25.09 Crs as on 31<sup>st</sup> March 2016. Operating profit margin & net profit margin for the firm stood at 1.46% & 2.33% respectively in FY16. Current ratio for FY16 was 0.75 times.

<sup>1</sup> Please refer to [www.brickworkratings.com](http://www.brickworkratings.com) for definition of the Ratings

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### Rating Outlook:

The rating outlook is expected to be stable over the current year. Going forward scaling up of business, meeting projections, improving debt protection metrics and ensuring timely service of debt would be the key rating sensitivities.

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