

## Rating Rationale

21 Nov 2019

### Apoorva Trading Company

Brickwork Ratings has reviewed the rating assigned to the bank loan facilities of Rs.6.00 crore of Apoorva Trading Company, based on best available information, as the entity did not cooperate. Accordingly the rating for the said bank loan facilities has been downgraded to BWR B- (Negative) and migrated to the Issuer Not Cooperating\* category

### Particulars

Facilities	Amount (Rs. Crs)		Tenure	Rating <sup>1</sup>	
	Previous	Present		Previous#	Present
Fund Based Cash Credit	6.00	6.00	Long Term	BWR B+ Stable	BWR B- (Negative) Issuer Not Cooperating* Downgrade
<b>Total</b>	<b>6.00</b>	<b>Rs.6.00 Crore (Rupees Six Crore Only)</b>			

\*Issuer Not Cooperating: Based on best available information

#Not Review on 20<sup>th</sup> September 2019

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

Note: Details of Bank facilities are provided in Annexure I

### Rating Downgraded and migrated to Issuer Not Cooperating\* category

#### Nature of Non-Cooperation:

The rating was due for a review in June 2019. Brickwork Ratings (BWR) took up with the entity to provide required information over emails and through telephone communication. Despite the best efforts of Brickwork Ratings to get at least the minimum required information for a review, the entity has not provided the same. Hence, the rating was migrated to the 'Rating Not Reviewed' category. In the absence of adequate information from the issuer and continued lack of management cooperation, Brickwork Ratings is unable to assess the issuer's financial performance and its ability to service its debt and maintain valid rating. The entity has not been submitting NDS to BWR. Based on inadequate information and continued lack of management cooperation, Brickwork Ratings has downgraded the rating to 'BWR B-' (Negative) and simultaneously migrated to the Issuer Not Cooperating\* category from BWR B+ (Stable).

## LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, non cooperation 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 withholding of information required for a review of the rating.

### About the Proprietorship Concern

M/s Apoorva Trading Company (ATC) is proprietorship concern established in February, 2001 by Mr Giridhar Khandelwal. The firm is located in Malhar Ganj, Indore. The firm is involved in the business of Agricultural processing and trading of pulses (Chana, Chana Dal), wheat and Soybean. Mr Giridhar Khandelwal (48 years old) is the proprietor of the firm, He has over 25 years of business experience.

**No financial information has been submitted to BWR over the last one year**

**Key Covenants of the facility rated:** The terms of sanction include standard covenants normally stipulated for such facilities.

**Status of non-cooperation with previous CRA – Not Applicable**

### Rating History for the last three years

Sl. No.	Facilities	Current Rating (2019)			(20 <sup>th</sup> Sept 2019) <sup>#</sup>	Rating History		
		Type	Amount (Rs. Cr)	Rating		(20 <sup>th</sup> June 2018) <sup>1</sup>	2017	2016
1	Cash Credit	Long Term	6.00	<b>BWR B- (Negative) Issuer Not Cooperating* Downgrade</b>	<b>BWR B+ (Stable) Not Reviewed</b>	<b>BWR B+ (Stable) Assigned</b>	-	-
<b>Total</b>		<b>Rs. 6.00 Crore (Rupees.Six Crore Only)</b>						

<sup>1</sup> Rated amount: Rs. 6.00 crore;

Not Review on 20<sup>th</sup> September 2019 for the bank loan facilities of Rs. 6.00 Crs.

\* 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](#)
- [Manufacturing Companies](#)
- [What Constitutes Non-Cooperation](#)

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## Apoorva Trading Company

### Annexure I: Details of Bank Facilities rated

Sl. No.	Name of the Bank	Type of Facilities	Long Term (Rs. Cr)	Short Term (Rs. Cr)	Total (Rs. Cr)
1.	<b>Union Bank of India</b>	Cash Credit	6.00	-	6.00
<b>TOTAL - Rupees Six Crores Only</b>					<b>6.00</b>



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