



## RATING RATIONALE

31 Oct 2019

Artex Textiles Pvt. Ltd

Brickwork Ratings downgrades the long term rating and reaffirms short term rating for the Bank Loan facilities of ₹ 15.00 Crs of Artex Textiles Pvt. Ltd based on best available information, as the issuer did not cooperate.

### Particulars

Facility	Amount (₹ Crores)		Tenure	Rating*	
	Previous	Present		Previous (Jan, 2017)	Present
<b>Fund Based Cash Credit Term Loan</b>	10.00	10.00	Long Term	<b>BWR BB- Stable</b>	<b>BWR B (Stable) Downgraded Issuer Not Cooperating*</b>
<b>Non Fund Based Bank Guarantee</b>	5.00	5.00	Short Term	<b>BWR A4</b>	<b>BWR A4 Reaffirmed Issuer Not Cooperating*</b>
<b>Total</b>	<b>15.00</b>	<b>15.00</b>	INR Fifteen Crores Only		

#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 is provided in Annexure-I

### RATING ACTION

The Long term rating of the Bank Loan Facilities has been downgraded to BWR B/Stable and short term rating of the Bank Loan Facilities has been reaffirmed to BWR A4 of Artex Textiles Pvt. Ltd under 'Issuer Not Cooperating' category.

### OUTLOOK / NATURE OF NON-COOPERATION

BWR had rated Bank Loan facilities of ATPL amounting to Rs 15.00 Cr. The initial rating assigned was BWR BB- (Stable)/A4 on 31/01/2017. The rating was due for review in Jan 2018.



2018. However on account of non receipt of information it was moved to Rating not Reviewed category on 07 Aug 2018. BWR took up with the issuer to provide required information over emails and through telephone calls. Despite the best efforts of BWR to get the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the entity, 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 in Jan, 2017]**

Key Parameters	Units	FY 15 (A)	FY 16 (A)
Result Type		Audited	Audited
Operating Revenue	Cr	157.10	111.33
EBITDA	Cr	1.63	1.92
PAT	Cr	0.90	0.44
TNW	Cr	13.28	13.70
(Total Debt/TNW)	times	1.35	0.99

**COMPANY PROFILE [As available with BWR in Jan,2017 ]**

Artex Textiles Private Ltd is a Delhi based company , incorporated in the year 2009 and is being managed by Mr. Fakir Chand Sarawagi and his son Mr. Bikas Sarawagi. The company is engaged in the import and trading of polyester knitted fabric, non-texture polyester lining cloth and Poly Vinyl Chloride (PVC)-coated fabric .

**NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: Not Known**  
**Any other information: Not Available**

## RATING HISTORY

Instrument /Facility	Current Rating (Oct, 2019)			Rating History		
	Type	Amount (₹ Cr)	Rating	2018	Jan 2017**	2016
<b>Fund Based</b>	Long Term	10.00	<b>BWR B</b> Stable Issuer Not Cooperating* Downgraded	Rating Not Reviewed	<b>BWR BB-</b> Stable	-
<b>Non Fund Based</b>	Short Term	5.00	<b>BWR A4</b> Issuer Not Cooperating* Reaffirmed	Rating Not Reviewed	<b>BWR A4</b>	-
<b>Total</b>		<b>15.00</b>	<b>INR Fifteen Crores only</b>			

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

\*\*BWR had initially assigned the rating of BWR BB-/A4 Stable on 31 Jan 2017.

## 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

### Artex Textiles 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 Baroda	Fund Based Cash Credit	10.00	0.00	10.00
		Non Fund Based FLC	0.00	5.00	5.00
<b>TOTAL</b>					<b>15.00</b>

INR Fifteen Crores Only.



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**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