



Rating Rationale

Asian Warehousing Pvt Ltd

22Feb2019

Brickwork Ratings reaffirms the ratings for the Bank Loan Facilities of ₹. 8.81 Crores of Asian Warehousing Pvt Ltd.(AWPL or company)

Particulars

Facility Rated	Amount (₹. Cr)		Tenure	Rating*		
	Previous	Present		Previous to Previous (Oct, 2016)	Previous (Aug, 2018)	Present
Fund Based (FB)						
Term Loan I	10.76	6.64	Long Term	BWR D (Pronounced as BWR Single D)	Rating Not Reviewed	BWR D (Pronounced as BWR Single D) (Reaffirmation)
Term Loan II		1.37				
OD	0.80	0.80				
Total Limits	11.56	8.81	(INR Eight Crores and Eighty One Lakhs Only)			

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

Ratings: Reaffirmed

Rationale/Description of Key Rating Drivers/Rating sensitivities:

BWR has principally relied upon the audited financials up to FY18, projections upto FY21 and publicly available information and information/clarifications provided by the management.

The rating continues to draw strength from the experience of promoters in the industry, marginal improvement in revenue although very low and net profit. However, the rating continues to be constrained by small scale of operations, high gearing, low net worth weak debt service coverage ratios,



and Bank confirms that the company is not servicing its term loan obligations promptly and the facility has been classified as NPA

Description of Key Rating Drivers

Credit Strengths:

The company was established in the year 2012. Mr. Bhavik Rashmi Bhimjyani and Mr. Rashmikant Chunilal Bhimjyani have more than a decade of experience in the same line of business, net profit margin is improved from negative 11.06% in FY17 to 11.54% in FY 18.

Credit Risks:

Small scale of operations with an average revenue of about Rs.2.15 Crs in the last three FYs, Gearing ratio stands at 3.62x in FY18, networth is Rs.2.73 Crs as at 31.3.2018 interest and debt coverage ratios are 1.47 x and 0.65 x in FY 18 and bank has classified the overdues as NPA in June 2018

Analytical Approach

For arriving at its ratings, BWR has applied its rating methodology as detailed in the Rating Criteria detailed below (hyperlinks provided at the end of this rationale).

Rating Outlook: *Stable*

BWR believes the **Asian Warehousing Pvt Ltd** business risk profile will be maintained over the medium term. The 'Stable' outlook indicates a low likelihood of rating change over the medium term. The rating outlook may be revised to 'Positive' in case the revenues and profit show sustained improvement. The rating outlook may be revised to 'Negative' if the revenues go down and profit margins show lower than expected figures.

About the Company

Asian Warehousing Pvt Ltd is the resultant company after demerger from R T Exports Ltd. Asian Warehousing Pvt Ltd was incorporated in May 2012 having its warehousing facility at Khasra village, Bundi, Rajasthan with a storage capacity of 57939 MT. The company is promoted by Mr. Bhavik Bhimjyani and Mr. Rashmikant C. Bhimjyani. Asian Warehousing Pvt Ltd comprises of Dry warehousing unit, Cold storage and Ripening chamber. AWPL provides warehousing facility for storage of grains, cement, fertilizers also fruits, vegetables and dairy products

Company Financial Performance



As per audited financials of FY18, company has reported a net sales of Rs.2.36 crs with a PAT of Rs.0.28 crs as compare to net sales of Rs.2.00 crs with losses of Rs.0.22 crs. Tangible net worth stood at Rs.2.73 Crs

Rating History for the last three years

Si No	Facility	Current Rating (2019)			Rating History		
		Type	Amount (₹ Crs)	Rating	7.8.2018	2017	21.10.2016
Fund Based (FB)							
1	Fund Based	Long Term	8.81	BWR D (Pronounced as BWR D) (Reaffirmation)	Rating Not Reviewed	Not Rated	BWR D (Pronounced as BWR D)
	Total Limits		8.81	(INR Eight Crores and Eighty One Lakhs Only)			

Key Financial Indicators

Key Parameters	Units	2017	2018
Result Type		Audited	Audited
Revenue	Rs. Crs	2.00	2.36
EBITDA	Rs. Crs	1.58	1.77
PAT	Rs. Crs	-0.22	0.28
Tangible Net worth	Rs. Crs	2.45	2.73
Total Debt/Tangible Net worth	Times	5.29	3.62
Current Ratio	Times	1.41	1.35

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)



- [Infrastructure Sector](#)
- [Short Term Debt](#)

For any other criteria obtain hyperlinks from website

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For print and digital media

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Note on complexity levels of the rated instrument:

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at www.brickworkratings.com/download/ComplexityLevels.pdf Investors queries can be sent to info@brickworkratings.com.

About Brickwork Ratings

Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a leading public sector bank, as its promoter and strategic partner.

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

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