

## RATING RATIONALE

23 April 2021

### Atlas Export Enterprises

**Brickwork Ratings has revised the long term rating and reaffirmed the short term rating for the Bank Loan Facilities of ₹41.23 Crores of Atlas Export Enterprises**

#### Particulars:

Facility	Amount (₹ Crs)		Tenure	Rating*	
	Previous	Present		Previous (March 2020)	Present
Fund based	0.98	0.98	Long Term	BWR BB/Stable	BWR BB-/Stable Downgrade Issuer Not cooperating*
	40.00	40.00	Short Term	BWR A4	BWR A4 Reaffirm Issuer Not cooperating*
Non Fund Based	0.25	0.25	Short Term		
<b>Total</b>	<b>41.23</b>	<b>41.23</b>	<b>INR Forty One Crores and Twenty Three Lakhs only</b>		

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

\*\* Details of Bank facilities is provided in Annexure-I

#### RATING ACTION / OUTLOOK/NATURE OF NON-COOPERATION

The rating was due for a review in March 2021. BWR took up the matter with the issuer to provide required information over emails and through telephone calls. Despite the best efforts of Brickwork Ratings to get the minimum required information for a review through emails and through telephone calls, the entity has not provided the same. In the absence of adequate information from the firm, BWR is unable to assess the firm's financial performance and its ability to service its debt and maintain a valid rating.

In view of non- availability of information and lack of cooperation from the firm, Brickwork Ratings has downgraded the long term rating and reaffirmed the short term rating to 'BWR BB-(stable)/A4: Issuer Not Cooperating' for the bank loan facilities amounting to Rs. 41.23 Crs for M/S Atlas Export Enterprises

#### 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.



**PROFILE OF THE FIRM**

**Atlas Export Enterprise(AEE)** was established in the year 1978 in Karur, Tamil Nadu. It is a partnership firm with three partners namely, Mr. M Nachimuthu, Mr. N Senthil Prasath and Mrs. N Kasthuri. The firm is engaged in manufacturing and exporting home textiles such as bed sheets, pillow covers, window screens, table linens and kitchen linens. The firm is exporting its products to countries like the UK, Germany, Switzerland, and Spain.

**KEY FINANCIAL INDICATORS (in ₹ Cr)**

Key Parameters	Units	FY19	FY18
Result Type		Audited	Audited
Operating Revenue	₹ Cr	164.16	162.15
EBITDA	₹ Cr	21.43	18.80
PAT	₹ Cr	15.19	10.95
Tangible Net worth	₹ Cr	20.00	17.63
Total Debt/Tangible Net worth	Times	1.40	2.08
Current Ratio	Times	2.86	2.20

**KEY COVENANTS OF THE INSTRUMENT/FACILITY RATED: NIL**

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

**RATING HISTORY FOR THE LAST THREE YEARS[Including Withdrawal and Suspended]**

Sl. No.	Instrument /Facility	Current Rating			Rating History		
		Type (Long Term/Short Term)	Amount (Rs Crs)	Rating	Mar 2020	Jan 2019	2018
1	Term loans*	Long term	0.98	BWR BB-/Stable Downgrade Issuer Not Cooperating*	BWR BB / Stable	Withdrawn	NIL
2	PC/PCFC/ FDB/FBE	Short term	40.00	BWR A4 Reaffirm Issuer Not Cooperating*	BWR A4	BWR A4	NIL
3	Bank Guarantee	Short term	0.25				
	Total		41.23	<b>INR Forty one Crores and Twenty Three Lakhs only</b>			

\* Term loans o/s as on 31.12.19

Initial rating of BWR BB(Stable)/A4 assigned on 29 Dec 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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**Atlas Export Enterprises**  
**ANNEXURE I**  
**Details of Bank Facilities rated by BWR**

Sl. No.	Type of Facilities	Long Term (₹ Cr)	Short Term (₹ Cr)	Total (₹ Cr)
1	Term Loans	0.98	-	0.98
2	PC/PCFC/FDB/FBE	-	40.00	40.00
3	BG	-	0.25	0.25
<b>TOTAL Forty One Crores and Twenty Three Lakhs only</b>				<b>41.23</b>

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