Rating Rationale

Atmaram Auto Enterprises

7 Sep 2018

Brickwork Ratings has reviewed the Rating for the Bank Loan facility of ₹ 7.50 Crore of Atmaram Auto Enterprises based on best available information, as the issuer did not cooperate. Accordingly the rating for the said facility is revised as under

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating*	
	Previous	Present		Previous (May, 2017)	Present
Fund Based Cash Credit	7.50	7.50	Long Term	**BWR BB-** (Pronounced as BWR Double B Minus) **Outlook: Stable**	**Issuer did not Cooperate; BWR B+** (Pronounced as BWR Single B Plus) **Outlook: Stable (Downgraded)**
Total	7.50	7.50	₹ Seven Crores and Fifty Lakhs Only		

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

Initial rating was done on 11.05.2017 for Rs. 7.50 Crs. and assigned long term rating at BWR BB- (Stable). Present Rating: Issuer did not cooperate; based on best available information.

Ratings: Downgraded

Nature of Non-cooperation:

The rating was due for a review in May, 2018. BWR took up with the Firm to provide required information over emails dated 29.06.2018, 03.08.2018, and 31.08.2018 and through telephone calls. Despite the best efforts of BWR to get at least the minimum required information for a review, the Firm 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.

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.

About the Firm (Information as available in May, 2017)

Atmaram Auto Enterprises was established in year 1985 by the Atma Ram Group as a Partnership concern. The Firm has its registered office as well as the workshop in Agra. It is the authorized dealer of Hero bikes, Mahindra & Mahindra (four wheelers), provides after sale services, and deals in auto parts. The Firm also acts as a facilitator for buying and selling of old cars, buying general insurance for the motors and getting loans for the cars. It has four showrooms and six workshops in total, located in Mathura and Agra.

There are total eight partners in the Firm: Mr. Ramesh Agarwal, Ms. Anu Ratan Agarwal, Ms. Gita Devi, Ms. Bimla Devi, Ms. Urmila Devi, Mr. Sanjay Agarwal, Mr. Sunil Agarwal, Mr. Anil Agarwal.

Atmaram Auto Enterprises

Particulars	Units	2015 (A)	2016 (A)
Net Sales/Revenues	₹ Cr	213.36	191.43
EBITDA	₹ Cr	3.95	3.45
PAT	₹ Cr	1.38	0.94
Tangible Net Worth (TNW)	₹ Cr	3.77	3.75
Total Debt : TNW	Times	5.02	6.09
Current Ratio	Times	2.07	2.11

Note: As per information available with BWR

Rating History for the last three years

S.No	Facility	Current Rating (2018)			Rating History		
		Type	Amount (₹ Cr)	Rating^	11.5.2017	2016	2015
1.	**Fund Based** Cash Credit	Long Term	7.50	**Issuer did not Cooperate; BWR B+** (Pronounced as BWR Single B Plus) **Outlook: Stable**	**BWR BB-** (Pronounced as BWR Double B Minus) **Outlook: Stable**	**Not Rated**	**Not Rated**
	Total		**7.50**	**₹ Seven Crores and Fifty Lakhs Only**			

^Issuer did not cooperate; based on best available information. ***Initial rating was done on 11.05.2017 for Rs. 7.50 Crs. and assigned long term rating at BWR BB- (Stable).***

Status of non-cooperation with previous CRA - Not applicable
Any other information - None

Hyperlink/Reference to applicable Criteria

- **General Criteria**
- **Approach to Financial Ratios**
- **What Constitutes Non-Cooperation**

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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. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 13,22,500 Cr. In addition, BWR has rated over 7000 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹62,000 Cr have been rated.

BWR has rated over 30 PSUs/Public Sector banks, as well as many major private players. BWR has a major presence in ULB rating of nearly 102 cities

DISCLAIMER

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