

**Rating Rationale**

**Atul Traders**

**Brickwork Ratings downgrades the long term rating of Rs. 15.00 Crores of Atul Traders based on best available information, as the issuer did not cooperate. Accordingly the rating for the said instrument is as under**

**Particulars**

Facility	Amount (₹ Cr)		Tenure	Rating*	
	Previous	Present		Previous (Oct 2019)	Present
Fund based CC-WHR	15.00	15.00	Long Term	BWR B- Stable Issuer Not Cooperating*	BWR C+ [Downgraded] Issuer Not Cooperating*
<b>Total</b>	<b>15.00</b>	<b>15.00</b>	<b>₹ Fifteen Crore Only</b>		

\*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 provided in Annexure-I

**RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION.**

The rating of the Bank Loan Facilities of the company have been downgraded to the long term rating to BWR C+ under 'Issuer Not Cooperating' category from BWR B-/Stable 'Issuer Not Cooperating'. BWR has been consistently following up with the entity management which has remained non co-operative to submit the information/papers required for the review of rating despite our regular follow up.

BWR had initially rated Bank Loan facilities amounting to Rs.15.00 Crs in June, 2018 assigning rating of BWR B/Stable. The rating was moved to RNR in Sep 2019. Subsequently, the long term rating was downgraded to BWR B-/Stable 'Issuer Not Cooperating' in Oct 2019. BWR took up with the issuer consistently to provide required information over emails and telephonically dated 5.10.2020, 12.10.2020, 19.10.2020 and 28.10.2020. However, since long follow up , we have not received documents/papers for the same. Further, BWR also took follow up with the banker for conduct of account over various emails dated 5.10.2020, 12.10.2020, 19.10.2020 and 28.10.2020. However, the banker has not responded to provide the feedback. Despite the best efforts of BWR to get at least the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the



firm, 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]**

Particulars	Units	2017	2016
Result Type		Audited	Audited
Net Sales/Revenues	₹ Cr	14.78	21.17
EBITDA	₹ Cr	0.80	0.57
PAT	₹ Cr	0.09	0.21
TNW	₹ Cr	1.29	0.96
Total Debt : TNW	Times	9.57	6.15
Current Ratio	Times	1.09	0.91

**CONCERN PROFILE**

M/S Atul Traders is a Proprietorship concern located at Dabra,Gwalior.The concern is about 30 years old.Mr. Hariom Sharma is the proprietor of the concern.Atul traders is managed by Mr. Hariom Sharma and his family members.The proprietor is promoter & director in a group company.Atul Traders has a group company .The name of the group company is Jai Shiv Food Products Private Limited .It is involved in Manufacturing - Food Stuffs Activity.Net worth Rs.5.5 Crs.in FY17 in the group company.The concern is engaged in trading business of Rice, wheat, pulses and other cereals.

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

**RATING HISTORY FOR LAST 3 YEARS ( INCLUDING WITHDRAWN/SUSPENDED)**

Facilities	Current Rating 2020			Rating History						
	Current Rating			31 Oct 2019			25 Jun 2018			2017
Bank Loan										NA
	FB	15.00	BWR C+ (Downgraded) Issuer Not Cooperating*	FB	15.00	BWR B-Stable (Downgraded) Issuer Not Cooperating*	FB	15.00	BWR B Stable (Assigned)	

\*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**
- **What Constitutes Non-Cooperation**

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## ANNEXURE I

### Atul Traders

#### 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.	<b>Punjab National Bank</b>	<b>Fund based</b> CC-WHR	15.00	-	<b>15.00</b>
<b>TOTAL</b>					<b>15.00</b>

### INR Fifteen Crores Only

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rated NGOs, Educational Institutions, Hospitals, Real Estate Developers, Urban Local Bodies and Municipal Corporations. BWR has Canara Bank, a leading public sector bank, as one of the promoters and strategic partners. 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.

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