



Rating Rationale

Atul Traders

31 Oct 2019

Brickwork Ratings revises ratings for the Bank Loan Facilities of ₹15.00 Crores of Atul Traders based on the best available information, as the issuer did not cooperate.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (June 2018)	Present
Fund based CC- WHR	15.00	15.00	Long Term	BWR B Stable RNR Sep 19	BWR B- Stable [Downgraded] Issuer Not Cooperating* , based on best available information
Total	15.00	15.00	INR Fifteen Crores Only		

Please refer to BWR website 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 entity for the long term ratings have been downgraded to BWR B- Stable under 'Issuer Not Cooperating' category from BWR B Stable as the client has not provided any paper/information despite our regular follow up.

The rating outlook has been reaffirmed as stable in the medium term as the demand for agricultural trading is increasing in India at the fact pace & there is possibility of positive performance in the industry, in which the company is working.

BWR had initially rated Bank Loan facilities amounting Rs.15.00 Crs June, 2018 assigning rating of BWR B Stable. The rating was moved to RNR in Sep 2019. BWR took up with the issuer consistently to provide required information over emails and telephonically dated 7.8.2019, 9.8.2019, 12.8.2019, 21.8.2019, 27.08.2019, 3.9.2019, 11.9.2019, 4.10.2019 and 30.10.2019 .Further, BWR also took follow up with banker for conduct of account over various email dated 11.9.2019, 19.9.2019, 7.10.2019 and 30.10.2019 for the conduct of accounts but 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 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. 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
		Audited	Audited
Net Sales/Revenues	₹ Cr	14.78	21.17
EBITDA	₹ Cr	0.80	0.57
PAT	₹ Cr	0.09	0.21
Tangible Net Worth	₹ Cr	1.29	0.96
Total Debt : TNW	Times	9.57	6.15
Current Ratio	Times	1.09	0.91

CONCERN PROFILE

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: Not available

Rating History

Facilities	Current Rating			Rating History		
	Tenure	Amount (₹ Cr)	Current Rating	26-Sep-19	25-June-18	2017
Fund Based	Long Term	15.00	BWR B-Stable [Downgraded] Issuer Not Cooperating*, based on best available information	RNR	BWR B Stable	NA
Total		15.00	INR Fifteen Crores Only			

COMPLEXITY LEVELS OF THE INSTRUMENTS

For more information, visit 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.	Punjab National Bank	CC-WHR	15.00 -	- -	15.00 -
TOTAL					15.00

INR Fifteen Crores Only

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