

RATING RATIONALE

M/s Awadh Enterprises

Brickwork Ratings downgrades the long term ratings and reaffirms the short term ratings for the Bank Loan Facilities of ₹ 15.25 Crores of M/s Awadh Enterprises based on best available information, as the Issuer did not cooperate.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (June, 2018)	Present*
Fund Based Cash Credit Cash Credit- Proposed	6.25 4.00	6.25 4.00	Long Term	BWR BB- (Stable)	BWR B+ (Stable) Downgraded Issuer not Cooperating*
Non Fund Based Bank Guarantee	5.00	5.00	Short Term	BWR A4	BWR A4 Reaffirmed Issuer not Cooperating*
Total	15.25	15.25	INR Fifteen Crores and Twenty Five Lakhs 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 is provided in Annexure-I

RATING ACTION / OUTLOOK / NATURE OF NON COOPERATION

BWR had initially rated Bank Loan facilities and assigned BWR BB- (Stable)/A4 dated 8th June, 2018. The annual review of the rating was due. Further, Due to the non-availability of information to conduct annual review, Rating Not Reviewed Advisory was issued on 9th Sept, 2019. BWR took up with the issuer to provide required information over emails and telephone calls. Despite the best efforts of BWR to get at least the minimum required information for a review, the concern has not provided the same. The concern had not provided the NDS since the initial rating. As per the Banker's Feedback, the conduct of the account is Satisfactory and Standard. However, In the absence of adequate financial information from the entity, BWR is unable to assess the entity's financial performance and its ability to service its debt and maintain a valid rating. Hence on account of inadequate information and lack of management cooperation, the rating is transferred to the **"Issuer Not Cooperating" category by downgrading the long term rating of Bank Loan Facilities to BWR B+ (Stable) and reaffirming the short term rating to BWR A4.**

LIMITATIONS OF THE RATING

Information availability risk is the key factor in the assessment of credit risk as generally, non-cooperation 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]

Key Parameters	Units	FY 17	FY 16
Result Type		Audited	Audited
Operating Revenue	Cr	55.06	18.15
EBITDA	Cr	1.83	1.24
PAT	Cr	0.48	0.26
Tangible Net Worth	Cr	2.48	2.29
Total Debt/TNW	times	5.06	3.32

COMPANY PROFILE

M/s Awadh Enterprises, established in 2013 as a proprietorship firm, having its registered office at Satna, Madhya Pradesh. It is being managed by proprietor Amit Agrawal and it is engaged in the trading of coal.

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY- NA

RATING HISTORY

Instrument / Facilities	Current Rating (2020)			Rating History		
Facility	Tenure (Long Term/ Short Term)	Amount (₹ Cr)	Rating	2019	08/06/2018	2017
Fund Based Cash Credit Cash Credit-Proposed	Long Term	6.25 4.00	BWR B+ (Stable) Downgraded Issuer not cooperating	-	BWR BB- (Stable)	-
Non Fund Based Bank Guarantee	Short Term	5.00	BWR A4 Reaffirmed Issuer not cooperating	Rating Not Reviewed	BWR A4	-
Total		15.25	INR Fifteen Crores and Twenty Five Lakhs 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

**M/s Awadh Enterprises
Details of Bank Facilities rated by BWR**

Name of the Bank	Type of Facilities	Long Term [₹ Cr]	Short Term [₹ Cr]	Total [₹ Cr]
Bank of Baroda	Fund Based	10.25	-	10.25
	Non Fund Based	5.00		5.00
TOTAL				15.25

INR Fifteen Crores and Twenty Five Lakhs Only

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