

Brickwork Ratings reaffirms the ratings for the Bank Loan Facilities of ₹. 12.50 Crores of AMI Enterprises.

Particulars

Facility Rated	Amount (₹. Cr)		Tenure	Rating*	
	Previous	Present		Previous	Present
Fund Based (FB)					
Cash Credit	12.50	12.50	Long Term	BWR BB- (Pronounced as BWR Double B Minus) (Outlook -Stable)	BWR BB- (Pronounced as BWR Double B Minus) (Outlook -Stable) (Reaffirmed)
W/w FDBP/FUDBP (DP/DA-120 DAYS)	(8.50)	(8.50)			
W/w Packing Credit	(2.00)	(2.00)			
Non Fund Based (NFB)					
Import of Letter of Credit	(10.00)	(10.00)	Long Term	BWR A4 (Pronounced as A Four)	BWR A4 (Pronounced as A Four)
LOC/Buyers Credit	(10.00)	(10.00)			
Total Limits	12.50	12.50	(INR Twelve Crores and Fifty Lakhs Only)		

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

Ratings: Reaffirmed

Rationale/Description of Key Rating Drivers/Rating sensitivities:

BWR has principally relied upon audited financials up to FY17, projections up to FY20 and publicly available information and information/clarifications provided by the firm.

The rating continues to draw the comfort from the experience of the promoter in the business, established relationship with the customer and supplier. However, the rating is constrained by relatively small scale of operations, low net worth, high receivable days and fragmented nature of industry.



Key Rating Drivers

Credit Strengths:

- Experience of the promoter in the business.
- Improved revenue and profit.

Credit Risks:

- Fragmented nature of industry resulting in high competition.
- Working capital intensive business .
- High receivable days.

Analytical Approach

For arriving at its ratings, BWR has applied its rating methodology as detailed in the Rating Criteria detailed below (hyperlinks provided at the end of this rationale).

Rating Outlook: *Stable*

BWR believes the **AMI Enterprises** business risk profile will be maintained over the medium term. The 'Stable' outlook indicates a low likelihood of rating change over the medium term. The rating outlook may be revised to 'Positive' in case the revenues and profit show sustained improvement. The rating outlook may be revised to 'Negative' if the revenues go down and profit margins show lower than expected figures.

About the Company

AMI Enterprises is a partnership firm, established in March, 2014. Mr. Mithun Shah and Mr. Tejas Mhatre are the partners of the firm. Firm is engaged in the wholesale business of watches, fashion accessories, food products and building material. Firm's registered office is located at Virar, Mumbai.

Financial Performance

Firm has reported a revenue of Rs. 35.23 crs in FY17 with a profit of Rs. 0.42 crs as against revenue of Rs. 20.11 crs in FY16 with a profit of Rs. 0.25 crs. The tangible net worth of the firm stood at Rs. 4.18 crs as on 31 March 2017.

Key Financial Indicators

Key Parameters	Units	2017	2016
Result Type			
Revenue	₹ Cr	35.23	20.11
EBITDA	₹ Cr	0.93	0.34
PAT	₹ Cr	0.42	0.25
Tangible Net worth	₹ Cr	4.18	4.43
Total Debt/Tangible Net worth	Times	2.01	0.00
Current Ratio	Times	1.34	1.45

Rating History for the last three years

Si No	Facility	Current Rating (Year 2018)			Rating History		
		Type	Amount (₹ Crs)	Rating	2017	29 Jun 2016	2015
Fund Based (FB)							
1	Cash Credit	Long Term	12.50	BWR BB- (Pronounced as BWR Double B Minus) (Outlook -Stable) (Reaffirmed)	-	BWR BB- (Pronounced as BWR Double B Minus) (Outlook -Stable)	-
2	W/w FDBP/FUDBP (DP/DA-120 DAYS)		(8.50)				
3	W/w Packing Credit		(2.00)				
Non Fund Based (NFB)							
4	Import of Letter of Credit	Short Term	(10.00)	BWR A4 (Pronounced as A Four)	-	BWR A4 (Pronounced as A Four)	-
5	LOC/Buyers Credit		(10.00)				
Total Limits			12.50	(INR Twelve Crores and Fifty Lakhs Only)			

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [Infrastructure Sector](#)



- [Short Term Debt](#)

For any other criteria obtain hyperlinks from website

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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, has also been 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 Nationalized 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, Guwahati, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 10,00,000 Cr. In addition, BWR has rated over 6300 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹24,440 Cr have been rated.

DISCLAIMER

Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented “as is” without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.