



Press Release

Bhatia Trading Company

October 19, 2021

Ratings

Facilities/ Instruments	Amt (Rs. crore)	Current Ratings	Previous Ratings	Rating Action
Long Term Bank Facilities	6.00	IVR B+ ISSUER NOT COOPERATING (IVR single B plus with ISSUER NOT COOPERATING)	IVR B+/Stable (IVR Single B Plus with Stable Outlook)	Reaffirmed; continues in the ISSUER NOT COOPERATING
Total	6.00			

*Issuer not cooperating, based on best available information

Details of facilities are in Annexure 1

Detailed Rationale

The ratings have been reaffirmed and continue in the Issuer Non-Cooperation category on account of non-submission of surveillance data by the company. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade.

Non-cooperation by Issuer:

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide multiple mail communications and telephonic follow ups. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details/information for surveillance exercise.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the bank loan ratings aggregating to INR6.00



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crore of Bhatia Trading Company shall continue to be in 'ISSUER NOT COOPERATING' category by Infomerics as IVR B; ISSUER NOT COOPERATING based on best available information.

Analytical Approach: Standalone

Applicable Criteria:

Rating Methodology for Manufacturing Companies

Financial Ratios & Interpretation (Non-Financial Sector)

Guidelines on what constitutes Non-Cooperation by clients.

About the Firm

Set up in 1998 by Mr. Parvinder Singh Bhatia, M/s. Bhatia Trading Co. (BTC) is engaged in the business of trading of aluminium profiles. The firm has now set up a plant at Rajasthan for manufacturing of aluminium profiles with installed capacity of 3,000 MT per annum. The manufacturing unit was expected to commence production by June 2019.

Financials (Standalone)

Key financials of the company for FY17 & FY18 have been provided below:

(INR crore)

For the year ended / As on	31-03-17	31-03-18
	Audited	Audited
Total Operating Income	3.21	5.68
EBITDA	0.17	0.36
PAT	0.09	0.28
Total Debt	0.48	1.39
Tangible Net worth	0.23	0.53
<u>Ratios</u>		
a. EBIDTA Margin (in %)	5.20	6.29
b. PAT Margin (in %)	2.80	4.93
c. Overall Gearing ratio (x)	2.06	2.61

* Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: Nil

Any other information: NA

Rating History for last three years:



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Sr · N o.	Name of Instrumen t/ Facility	Current Rating (Year: 2021-22)			Rating History for the past 3 years		
		Type	Amount outstanding (INR Crore)	Rating	Date(s) & Rating(s) assigned in 2020-21 (July 20, 2020)	Date(s) & Rating(s) assigned in 2019- 20(May 21, 2019)	Date(s) & Rating(s) assigned in 2018-19
1.	Long Term Bank Facilities	Long Term	6.00	IVR B+ ISSUER NOT COOPERATING *	IVR B+/Stable; ISSUER NOT CO- OPERATING	IVR BB- /Stable	--
		Total	6.00				

* Issuer did not cooperate; based on best available information

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About Infomerics:

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. It is gradually gaining prominence in domestic rating and/or grading space. Infomerics is striving for positioning itself as the most trusted & credible rating agency in the country and is gradually widening its product portfolio. Company's long experience in varied spectrum of financial services is helping it to fine-tune its product offerings to best suit the market.

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.



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Annexure I: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/IRR	Maturity Date	Size of Facility (INR Crore)	Rating Assigned/ Outlook
Long Term Bank Facilities	-	-	-	6.00	IVR B+ ISSUER NOT COOPERATING*
Total				6.00	

* Issuer did not cooperate; based on best available information

Annexure II: Facility wise lender details: (Add)

Annexure III: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

Annexure IV: Complexity level of the rated Instruments/Facilities

Sr No.	Instrument	Complexity Indicator
1.	Term Loans	Simple

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.