



Press Release

Bhatia Trading Company

January 12, 2023

Ratings

Instrument / Facility	Amount (Rs. crore)	Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	6.00	IVR B (ISSUER NOT COOPERATING*) (IVR Single B; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from IVR B+ (IVR Single B Plus)	Simple
Total	6.00 (Rupees Six Crore Only)			

** Issuer did not cooperate; Based on best available information*

Details of Facilities are in Annexure 1

Detailed Rationale

The revision in the ratings assigned to the bank facilities of Bhatia Trading Company (BTC) reflects lack of adequate information available, non-payment of annual surveillance fees and the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

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

Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data, results to monitor its assigned rating to the bank facilities, vide E-mail communications dated October 20, 2022, October 25, 2022 and October 27, 2022, November 04, 2022, January 05, 2023 concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details required for monitoring the ratings. Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to



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assign the rating based on the best available information. Accordingly, the ratings for the bank facilities of BTC aggregating Rs.6.00 crore has been moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as IVR B; Issuer Not Co-operating*; Based on no available information.

Analytical Approach: Standalone

Applicable Criteria:

[Guidelines on what Constitute Non-Cooperation by Client](#)

[Criteria of assigning Rating Outlook](#)

[Rating Methodology for Trading Companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

About the Company

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 (Stanalone)*:

	(Rs. Crore)	
For the year ended / As on	31-Mar-2017 (Audited)	31-Mar-2018 (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
EBITDA Margin (%)	5.20	6.29
PAT Margin (%)	2.80	4.93
Overall Gearing Ratio (times)	2.06	2.61

**Classification as per Infomerics standards*

Status of non-cooperation with previous CRA: Nil

Any other information: Nil



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Rating History for last three years:

Sr. No.	Name of Instrument / Facilities	Current Ratings (Year 2022-23)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2021-22	Date(s) & Rating(s) assigned in 2020-21	Date(s) & Rating(s) assigned in 2019-20
	PR Date				19-Oct-2021	20-Jul-2020	21-May-2019
1.	Long Term Bank Facilities (Proposed)	Long Term	6.00	IVR B / Issuer not cooperating*	IVR B+ / Issuer not cooperating*	IVR B+ / Issuer not cooperating*	IVR BB- / Stable Outlook

* 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 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Bank Facilities (Proposed)	—	—	—	6.00	IVR B (ISSUER NOT COOPERATING*) (IVR Single B; ISSUER NOT COOPERATING*)

** Issuer did not cooperate; Based on best available information*

Annexure 2: List of companies considered for consolidated analysis: Not Applicable

Annexure 3: Facility wise lender details: Not Applicable

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

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.