

Press Release

Asiatic Traders

October 27, 2020

Rating Update



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|-------------------------------------|---|
| Total Bank Facilities Rated* | Rs.13.75 Cr. # |
| Long Term Rating | ACUITE BB+ (Downgraded from ACUITE BBB/ Stable) Issuer not co-operating* |
| Short Term Rating | ACUITE A4+ (Downgraded from ACUITE A3+) Issuer not co-operating* |

Refer Annexure for details

* The issuer did not co-operate; Based on best available information.

Acuite has downgraded the long-term rating to '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE BBB**' (read as **ACUITE triple B**) and the short-term rating to '**ACUITE A4+**' (read as **ACUITE A four plus**) from '**ACUITE A3+**' (read as **ACUITE A three plus**) on the Rs.13.75 crore bank facilities of Asiatic Traders. This rating is now an indicative rating and is based on the best available information.

Indore based, Asiatic Trader (AT), established in the year 1974, is a partnership firm promoted by Mr. Narendra Doshi and Mr. Ketan Doshi. The firm is engaged in assembling and installation of water supply system, operation and maintenance of pumping station, laying of transmission lines and trading of related assemblies. The firm is Class A contractor and undertakes contract mainly on behalf of Madhya Pradesh, Rajasthan and Gujarat government.

Non-cooperation by the issuer/borrower

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date.

Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure Entities - <https://www.acuite.in/view-rating-criteria-51.htm>
- Trading Entities - <https://www.acuite.in/view-rating-criteria-61.htm>
- Financial Ratios and Adjustments - <https://www.acuite.in/view-rating-criteria-53.htm>

Limitation regarding information availability

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuite endeavored to gather information about the entity/industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

| Date | Name of Instrument / Facilities | Term | Amount (Rs. Cr.) | Ratings/Outlook |
|-------------|---------------------------------|------------|------------------|---------------------------------|
| 07-Aug-2019 | Cash Credit | Long Term | 3.25 | ACUITE BBB/ Stable (Reaffirmed) |
| | Bank Guarantee | Short Term | 10.50 | ACUITE A3+ (Reaffirmed) |
| 01-Jun-2018 | Cash Credit | Long Term | 3.25 | ACUITE BBB/ Stable (Upgraded) |
| | Bank Guarantee | Short Term | 10.50 | ACUITE A3+ (Upgraded) |
| 13-May-2017 | Cash Credit | Long Term | 3.25 | ACUITE BBB-/ Stable (Assigned) |
| | Bank Guarantee | Short Term | 10.50 | ACUITE A3 (Assigned) |

#Annexure – Details of instruments rated

| Name of the Facilities | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. Cr.) | Ratings |
|--------------------------------------|------------------|----------------|----------------|-----------------------------|---|
| Cash Credit | Not Applicable | Not Applicable | Not Applicable | 3.25 | ACUITE BB+ (Downgraded) Issuer not co-operating* |
| Bank Guarantee/Letter of Guarantee\$ | Not Applicable | Not Applicable | Not Applicable | 10.50 | ACUITE A4+ (Downgraded) Issuer not co-operating* |

\$ Letter of Credit of Rs. 5.50 crores – sublimit within Bank Guarantee.

*The issuer did not co-operate; Based on best available information.

Contacts

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 8,374 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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