Press Release

Aarti Traders

June 23, 2022

Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	7.00	ACUITE C | Downgraded | Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	7.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuité has downgraded the long-term rating to **'ACUITE C' (read as ACUITE C)** from 'ACUITE B+' (read as ACUITE B plus) on the Rs.7.00 Cr bank facilities of AARTI TRADERS (AT). The rating continues to be flagged as "Issuer Not- Cooperating" and The downgrade reflects the fact that the entity name appears in the defaulters list of CIBIL Suited files accounts as on 31-03-2022 and and the information risk, as well as.

About the Company

Mumbai-based, Aarti Traders is a proprietorship concern established in 1992 by Mr. Suresh Kesvani. The firm is engaged in processing of grey fabric, which includes dyeing, embroidery and packaging.

Non-cooperation by the issuer/borrower:

Acuité 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.
Acuité believes that information risk is a critical component in such ratings, and noncooperation 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 Acuité's policies.

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). Acuité endeavored to gather information about the entity/industry from the public domain. Therefore, Acuité 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.

Rating Sensitivity

No information provided by the issuer / available for Acuité to comment upon.

Material Covenants

None

Liquidity Position

No information provided by the issuer / available for Acuité to comment upon.

Outlook

Not Applicable

Other Factors affecting Rating

None

Status of non-cooperation with previous CRA

Not Applicable

Any other information

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

Applicable Criteria

- Trading Entities: https://www.acuite.in/view-rating-criteria-61.htm
- Default Recognition: https://www.acuite.in/view-rating-criteria-52.htm

Note on Complexity Levels of the Rated Instrument

https://www.acuite.in/view-rating-criteria-55.htm

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
08 Mar 2022	Cash Credit	Long Term	6.50	ACUITE B+ (Issuer not co-operating*)
	Cash Credit	Long Term	0.50	ACUITE B+ (Issuer not co-operating*)
21 Dec 2020	Cash Credit	Long Term	6.50	ACUITE B+ (Issuer not co-operating*)
	Cash Credit	Long Term	0.50	ACUITE B+ (Issuer not co-operating*)
25 Sep 2019	Cash Credit	Long Term	0.50	ACUITE B+ (Issuer not co-operating*)
	Cash Credit	Long Term	6.50	ACUITE B+ (Issuer not co-operating*)
04 Jul 2018	Cash Credit	Long Term	6.50	ACUITE B+ (Issuer not co-operating*)
	Cash Credit	Long Term	0.50	ACUITE B+ (Issuer not co-operating*)
16 May 2017	Cash Credit	Long Term	6.50	ACUITE B+ | Stable (Assigned)
	Cash Credit	Long Term	0.50	ACUITE B+ | Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Bank of Baroda	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	6.50	ACUITE C | Downgraded | Issuer not co-operating*
Bank of Baroda	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	0.50	ACUITE C | Downgraded | Issuer not co-operating*

Contacts

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.