

Press Release

Ajay Trading Company (ATC)

April 28, 2021



Rating Update

| | |
|-------------------------------------|---|
| Total Bank Facilities Rated* | Rs. 31.00 Cr.# |
| Long Term Rating | ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating* |
| Short Term Rating | ACUITE A4+ 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 minus**) from '**ACUITE BB**' (read as **ACUITE double B**) and reviewed the short-term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs. 31.00 crore bank facilities of Ajay Trading Company. The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

Kolkata Based - Ajay Trading Company (ATC) was established in 1974 as a partnership firm by Mr A.S. Jain, Late Mr. B. P. Jain and Mr. Ajay Jain. The firm is engaged in the coal business and caters to coal traders as also cement and paper manufacturers.

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.

This rating continues to be 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>
- Trading Entities - <https://www.acuite.in/view-rating-criteria-61.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.

Liquidity Indicators - "No information provided by the issuer / available for Acuite to comment upon."

Rating Sensitivity - "No information provided by the issuer / available for Acuite to comment upon."

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)

None

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 (Up to last three years)

| Date | Name of Instrument / Facilities | Term | Amount (Rs. Cr) | Ratings/Outlook |
|---------------|---------------------------------|------------|-----------------|--|
| Feb 04, 2020 | Cash Credit | Long Term | 7.30 | ACUITE BB Issuer not co-operating* |
| | Proposed Bank Guarantee | Short Term | 3.70 | ACUITE A4+ Issuer not co-operating* |
| | Bank Guarantee | Short Term | 20.00 | ACUITE A4+ Issuer not co-operating* |
| Nov 23, 2018 | Cash Credit | Long Term | 7.30 | ACUITE BB Issuer not co-operating* |
| | Proposed Bank Guarantee | Short Term | 3.70 | ACUITE A4+ Issuer not co-operating* |
| | Bank Guarantee | Short Term | 20.00 | ACUITE A4+ Issuer not co-operating* |
| Sept 15, 2017 | Cash Credit | Long Term | 7.30 | ACUITE BB/Stable (Reaffirmed) |
| | Proposed Bank Guarantee | Short Term | 3.70 | ACUITE A4+ (Reaffirmed) |
| | Bank Guarantee | Short Term | 20.00 | ACUITE A4+ (Reaffirmed) |

#Annexure – Details of instruments rated

| Name of the Facilities | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. Crore) | Ratings/Outlook |
|-------------------------|------------------|----------------|----------------|-------------------------------|---|
| Cash Credit | Not Applicable | Not Applicable | Not Applicable | 7.30 | ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating* |
| Proposed Bank Guarantee | Not Applicable | Not Applicable | Not Applicable | 3.70 | ACUITE A4+ Issuer not co-operating* |
| Bank Guarantee | Not Applicable | Not Applicable | Not Applicable | 20.00 | ACUITE A4+ Issuer not co-operating* |

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

Contacts

| Analytical | Rating Desk |
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| Aditya Gupta Vice President- Corporate and Infrastructure Sector Tel: 022-49294041 aditya.gupta@acuite.in Aditya Singh Analyst - Rating Operations Tel: 011-49731303 aditya.singh@acuite.in | Varsha Bist Senior Manager - Rating Desk Tel: 022-49294011 rating.desk@acuite.in |

About Acuite Ratings & Research:

Acuite 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 6,000 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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