

## Press Release

### Topline Commodities Pvt Ltd

January 18, 2021

#### Ratings

Facilities	Amount (Rs. crore)	Ratings	Rating Action
Long Term Bank Facilities - Term Loan Cash Credit	34.15	IVR B; ISSUER NOT COOPERATING* (IVR Single B; Issuer Not Cooperating)	Revised from IVR B+ / Stable Outlook (IVR Single B plus with Stable Outlook) and moved to Issuer Not Co-operating category
Long Term Bank Facilities - Cash Credit	21.00	IVR B; ISSUER NOT COOPERATING* (IVR Single B; Issuer Not Cooperating)	Revised from IVR B+ / Stable Outlook (IVR Single B plus with Stable Outlook) and moved to Issuer Not Co-operating category
Short Term Bank Facilities – Bank Guarantee	1.67	IVR A Four; ISSUER NOT COOPERATING* (IVR Single A Four; Issuer Not Co-operating)	Moved to Issuer Not Co-operating category
<b>Total</b>	<b>56.82</b> <b>(Rupees Fifty Six crore and Eighty Two lakhs only)</b>		

\*Issuer did not cooperate; based on best available information

#### Details of Facility are in Annexure 1

#### Detailed Rationale

The rating revision is because of lack of adequate information regarding Topline Commodities Pvt Ltd (TCPL's) performance and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the company 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 company.

#### Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the NDS & required data to monitor its assigned rating to the bank facilities. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details.

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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 long-term and short-term ratings for the bank loan facilities aggregating to Rs.56.82 crore of TCPL shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics.

### **Analytical Approach & Applicable Criteria**

Standalone

Guidelines on what constitutes Non-Cooperation by clients

Rating Methodology for Manufacturing Companies

Financial Ratios & Interpretation (Non-Financial Sector)

### **About the Company**

Kolkata (West Bengal) based Topline Commodities Pvt Ltd (TCPL) was incorporated in the year 1993 by one Poddar family who are the founders of Wonder group. Initially the company remained dormant for years. However, the promoters started its operation in March 2013 to setup a PU leather manufacturing unit in Dahej, Gujarat. The unit started its commercial operation from June 2017.

The Poddar family has business interest in leather industry and has various other companies which are engaged in supplying of imported artificial leather, flex printing, horizontal directional drilling and others. The other major companies of the promoters, are Wonder Images Pvt Ltd, Wonder Décor Pvt Ltd and Wonder Rexine Pvt Ltd

### **Financials (Standalone):**

For the year ended* / As On	(Rs. crore)	
	31-03-2019	31-03-2020
	Audited	Audited
Total Operating Income	47.79	43.84
EBITDA	-6.22	1.84
PAT	-14.58	-8.49
Total Debt	87.03	91.04
Tangible Net worth	-12.86	-21.35
EBITDA Margin (%)	-13.02	4.20
PAT Margin (%)	-28.26	-18.74
Overall Gearing Ratio (x)	-11.07	-5.57

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\*Classification as per Infomerics' standards.

**Status of non-cooperation with previous CRA: NIL**

**Any other information: Nil**

**Rating History for last three years:**

Sr. No	Name of Facilities	Current Rating (Year 2020-21)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2020-21 (17.08.2020)	Date(s) & Rating(s) assigned in 2019-20 (21.05.2019)	Date(s) & Rating(s) assigned in 2018-19
1.	Term Loan	LT	34.15	IVR B; ISSUER NOT COOPERATING*	IVR B+ / Stable Outlook	IVR BB- / Stable Outlook	-
2.	Cash Credit	LT	21.00	IVR B; ISSUER NOT COOPERATING*	IVR B+ / Stable Outlook	IVR BB-/ Stable Outlook	-
3.	Bank Guarantee	ST	1.67	IVR A4; ISSUER NOT COOPERATING*	IVR A4	IVR A4	-

\* Issuer did not cooperate; based on best available information

**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](http://www.infomerics.com).

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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. Firm's long experience in varied spectrum of financial services is helping it to fine tune its product offerings to best suit the market.

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### 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.

### Annexure 1: Details of Facility

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs.Crore)	Rating Assigned/ Outlook
Long Term Bank Facilities – Term Loan	-	-	March, 2023	34.15	IVR B; ISSUER NOT COOPERATING *
Long Term Bank Facilities – Cash Credit	-	-	-	21.00	IVR B; ISSUER NOT COOPERATING *
Short Term Bank Facilities – Bank Guarantee	-	-	-	1.67	IVR A4; ISSUER NOT COOPERATING *

\* Issuer did not cooperate; based on best available information