

Oasis Tradelink Limited

November 02, 2020

Ratings

Facilities	Amount (Rs. Crore)	Ratings ¹	Rating Action
Long-term Bank Facilities	-	-	Withdrawn
Short-term Bank Facilities	-	-	Withdrawn
Total Facilities	-		

Details of facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE has withdrawn the outstanding rating of 'CARE D / CARE D; Issuer Not Cooperating [Single D / Single D; Issuer Not Cooperating]' assigned to the bank facilities of Oasis Tradelink Limited (OTL) with immediate effect. The above action has been taken as the Hon'ble National Company Law Tribunal (NCLT), Ahmedabad Bench, vide its order dated February 26, 2019, had initiated the Corporate Insolvency Resolution Process (CIRP) against OTL under the provisions of the Insolvency and Bankruptcy Code, 2016. Further, NCLT vide its order dated December 4, 2019, upheld the decision of the committee of creditors (COC) to liquidate OTL due to the failure to attract any bidder. Therefore, it may no longer be useful or necessary for CARE to maintain a rating on the rated entity's obligations.

Applicable Criteria

CARE's policy on withdrawal of ratings

About the Company

Ahmedabad-based OTL, incorporated in 1996 as Oasis Tradelink Private Limited, is engaged in the business of edible oil packaging, branding and marketing. OTL sells its product under the brand name of 'Maruti', which is a well-recognized name in edible oil segment in Gujarat. It primarily procures wash oil from the seed crushers and gets it refined from other oil refining entities on job-work basis, post which, it carries out the packaging, marketing and distribution of the end products. OTL is promoted by Mr. Snehal B. Patel and his family members and has a packaging unit in Kadi, Gujarat.

Brief standalone financials of OTL:

Brief Financials (Rs. Crore)	FY18 (A)	FY19 (A)
Total operating income	514.55	148.49
PBILDT	6.99	(52.41)
PAT	2.40	(56.04)
Overall gearing (times)	1.27	NM
Interest coverage (times)	1.93	NM

A – Audited; NM – Not Meaningful

- The Hon'ble NCLT, Ahmedabad Bench, vide its order dated February 26, 2019, had initiated Corporate Insolvency and Resolution Process (CIRP) based on petition filed by Chitra Publicity Company (OOH) Gujarat under the provisions of the Insolvency and Bankruptcy Code 2016 (Code). Mr. Pinakin Surendra Shah was appointed as Interim Resolution Professional (IRP) by NCLT, as the applicant creditor had not proposed any name of IRP in its application.
- NCLT vide its order dated June 13, 2019, had replaced Interim Resolution Professional viz. Mr. Pinakin Surendra Shah and appointed Mr. Ramchandra Dallaram Choudhary as Resolution Professional on the basis of resolution passed by Committee of Creditors (COC).
- However, on the eight meeting of COC held on November 22, 2019, COC resolved for the liquidation of OTL with 100.00% voting in favour of the liquidation, since no resolution plan was received till the last date of submission of the resolution plan. Following this, NCLT passed the order as on December 4, 2019, confirming the COC's resolution for liquidation of OTL.
- Further, as per the provisional results for 9MFY20, OTL has reported net loss of Rs.0.12 crore on nil total operating income, compared with net loss of Rs.15.60 crore on a total operating income of Rs.143.15 crore during 9MFY19.

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

¹ Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	0.00	Withdrawn
Non-fund-based - ST-ILC/FLC	-	-	-	0.00	Withdrawn

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1.	Fund-based - LT-Cash Credit	LT	-	-	1)CARE D; ISSUER NOT COOPERATING* (19-May-20)	-	1)CARE D; ISSUER NOT COOPERATING* (25-Mar-19) 2)CARE D (07-Sep-18) 3)CARE BB; Stable (24-Aug-18) 4)CARE BBB-; Stable (05-Apr-18)	-
2.	Non-fund-based - ST-ILC/FLC	ST	-	-	1)CARE D; ISSUER NOT COOPERATING* (19-May-20)	-	1)CARE D; ISSUER NOT COOPERATING* (25-Mar-19) 2)CARE D (07-Sep-18) 3)CARE A4 (24-Aug-18) 4)CARE A3 (05-Apr-18)	-

* Issuer did not co-operate; based on best available information

Annexure 3: Complexity level of various instruments rated for this company

Sr. No.	Name of the Instrument	Complexity Level
1.	Fund-based - LT-Cash Credit	Simple
2.	Non-fund-based - ST-ILC/FLC	Simple

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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About CARE Ratings:

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