RATING RATIONALE

03 March 2021

AB Crops Pvt Ltd

Brickwork Ratings reaffirms the ratings for the Bank Loan Facilities of ₹24 crores of AB Crops Pvt Ltd based on best available information, as the issuer did not cooperate.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (27 Feb 2020)	Present
Fund Based - CC	2.00	2.00	Long Term	BWR D Issuer Not Cooperating*	BWR D Issuer Not Cooperating*
Non Fund Based - LC/FLC	22.00	22.00	Short Term		
Total	24.00	24.00	Rupees Twenty Four crores only		

Please refer to BWR website www.brickworkratings.com/ for definition of the ratings
* Issuer did not cooperate, based on best available information.

NATURE OF NON-COOPERATION

BWR has reviewed the bank loan facilities of AB Crops Pvt Ltd. (ACPL), amounting to Rs.24 cr in Feb 2020 at BWR D under Issuer Non Cooperation. The review of the rating was due in Feb 2021. Despite repeated requests, the company has not provided us with the rating mandate for conducting an annual review of the rating and has also not been submitting NDS. In the absence of adequate information from the client, BWR is unable to assess the issuer's financial performance and its ability to service its debt and maintain a valid rating.

LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, noncooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress.

COMPANY'S PROFILE (As available with BWR in Feb 2019)

AB Crops Pvt Ltd (AB Crops) was incorporated in May 2011 based in Bathinda, Punjab. It is engaged in the trading of edible oil such as crude palm oil, soya bean oil, etc. by importing the same from overseas markets and selling in the domestic market on a high sea sale basis. The company is promoted by Mr. Darshan Paul and Mrs. Richa Garg. The company belongs to the Homeland Group which comprises diversified businesses including trading of edible oils, agro based business, pesticides etc. The firm is a part of Homeland Group which comprises diversified businesses including real estate development, trading of edible oils, manufacturing of agro commodities and fertilizers & pesticides etc.

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: NIL

RATING HISTORY FOR THE PREVIOUS THREE YEARS (including ratings withdrawn and suspended)

Instrument / Facilities	Current Rating			Rating History						
				27 Feb 2020			08 Feb 2019			2018
Bank Loans	FB	Rs.2 crs	BWR D (INC*)	FB	Rs.2 crs	BWR D (INC*)	FB	Rs.2 crs	BWR BB-Stable	N.A
	NFB	Rs.22 crs		NFB	Rs.22 crs		NFB	Rs.22 crs	BWR A4	
	TOTAL	Rs.24 crs		TOTAL	Rs.24 crs		TOTAL	Rs.24 crs		
	Rupees Twenty Four crores only			Rupees Twenty Four crores only			Rupees Twenty Four crores only			

*Issuer did not Cooperate. Based on the best available information.

ANNEXURE I

AB Crops Pvt Ltd
Details of Bank Facilities rated by BWR

Sl. No.	Type of Facilities	Long Term {(₹ Cr)	Short Term {(₹ Cr)	Total (₹ Cr)
1	Cash Credit	2.00	NIL	2.00
2	LC/FLC	NIL	22.00	22.00
TOTAL		2.00	22.00	24.00

Rupees Twenty Four crores Only

COMPLEXITY LEVELS OF THE INSTRUMENTS

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

- General Criteria
- Approach to Financial Ratios
- Short Term Debt

Analytical Contacts	
[Saurabh Agarwal] **Assistant Manager - Ratings** **[Board: +91 11 23412232]** **[saurabh.a@brickworkratings.com]**	**[Ashwini Mital]** **[Director – Ratings]** **[Board: +91 172 5032295/96]** **[ashwinimital@brickworkratings.com]**
1-860-425-2742	**media@brickworkratings.com**

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