

**RATING RATIONALE**

4 Aug 2020

**ADITYA AGRO GODOWNS & PACKAGING**

Brickwork Ratings has reviewed the Rating for the Bank Loan facilities aggregating ₹ 7.00 Crores of Aditya Agro Godowns & Packaging (AAGP or the ‘firm’) based on best available information, as the issuer did not cooperate.

**Particulars :**

Facility@	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous	Present
				Jul, 2019	
<b>Fund Based</b>	5.74	<b>5.74</b>	<b>Long Term</b>	BWR BB-, Stable, Issuer Not Cooperating*	<b>BWR B-, Stable, Downgraded, Issuer Not Cooperating*</b>
<b>Non Fund Based</b>	1.26	<b>1.26</b>	<b>Short Term</b>	BWR A4, Issuer Not Cooperating*	<b>BWR A4, Reaffirmed, Issuer Not Cooperating*</b>
<b>Total</b>	7.00	<b>7.00</b>	<b>INR Sevwen Crores Only</b>		

#Please refer to BWR website [www.brickworkratings.com/](http://www.brickworkratings.com/) for definition of the ratings

@ Details of Bank Loan facilities are provided in Annexure - I

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

**RATING ACTION/OUTLOOK/NATURE OF NON-COOPERATION**

In view of the non-availability of the information and lack of cooperation from **Aditya Agro Godowns & Packaging** (AAGP), Brickwork Ratings has downgraded the long term rating of their bank loan facilities of Rs. 5.74 Crs. to ‘**BWR B-/Stable**’, and has reaffirmed the short term rating of their bank loan facilities of Rs.1.26 Crs. at ‘**BWR A4**’, (aggregate rated amount Rs. 7.00 Crs), along with continuation of both the ratings in the “**Issuer Not Cooperating**” category, based on best available information as the Issuer did not cooperate.



The lenders/investors may note to exercise due caution while using the above ratings which mention "**Issuer Not Cooperating**", since the ratings lack any projections or forward looking component as they are arrived at based on the best available information without any management/banker's interaction.

The rating was due for a review in October, 2018. Due to non cooperation on the part of the firm to furnish documents / information required for a review, the ratings were moved to "Issuer Not Cooperating" category in July, 2019. BWR once again took up recently with the firm over emails and through telephone calls to obtain the required information. Despite the best efforts of BWR to get at least the minimum required information for a review, the entity has not provided the same. The firm has also not been furnishing the required monthly Non Default Statements (NDS).

Thus, due to lack of management cooperation to furnish adequate information about the firm's performance despite follow up, coupled with its non submission of NDS, BWR is unable to assess its financial performance or its ability to service its debt and maintain a valid rating. Accordingly, the rating has been retained in the "Issuer Not Cooperating" category. The rating downgrade is based on lack of up-to-date information on the firm's performance - either from itself, or from its bankers.

#### **LIMITATIONS OF THE RATING:**

Information availability risk is a key factor in the assessment of credit risk as generally, non-cooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress. Users of the credit rating should therefore take into account possible deterioration in the credit quality of the rated entity arising from its non-transparency and withholding of information required for a review of the rating.

#### **FIRM PROFILE (Information as available in October, 2017)**

Established in 2016, Aditya Agro Godowns & Packaging is a partnership firm engaged in the business of setting up or rural godowns for storage of food grains and providing the services of rice grading and polishing on job work basis.

**NON-COOPERATION WITH PREVIOUS RATING AGENCY : Nil**

**Rating History For The Previous Three Years [including withdrawal and suspended]**

Facility	Current Rating (2020)		Rating History					
	Type	Amount (₹ Cr)	Rating	2019	2018	2017 <sup>^</sup>		
Fund Based	Long Term	5.74	BWR B-Stable (Downgraded) Issuer Not Cooperating*	18 July 2019		-	9 October 2017 <sup>^</sup>	
				FB #	5.74		BWR BB-Stable, (Reaffirmed) Issuer Not Cooperating*	FB #
				Total	5.74			
Non Fund Based	Short Term	1.26	BWR A4 (Reaffirmed) Issuer Not Cooperating*	18 July 2019		-	9 October 2017 <sup>^</sup>	
				NFB #	1.26		BWR A4 (Reaffirmed) Issuer Not Cooperating*	NFB #
				Total	1.26			
<b>Total</b>		<b>7.00</b>	<b>INR Seven Crores Only</b>					

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

<sup>^</sup> The ratings were moved to Rating Not Reviewed (RNR) category on 10 January 2019 (initially assigned on 9 October 2017).

# FB - Fund Based, & NFB - Non Fund Based

**COMPLEXITY LEVELS OF THE INSTRUMENTS**

For more information, visit [www.brickworkratings.com/download/ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf)

**Hyperlink/Reference to applicable Criteria**

- General Criteria
- Approach to Financial Ratios
- What Constitutes Non-Cooperation

For any other criteria obtain hyperlinks from website

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**Annexure I**  
**Aditya Agro Godowns & Packaging**  
**Details of Bank Loan Facilities rated by BWR**

Sl.No.	Name of the Bank	Type of Facility	Long Term [Rs. Crs]	Short Term [Rs. Crs]	Total [Rs. Crs]
1	Punjab National Bank	Term Loan	5.74	-	5.74
		FLC	-	1.26	1.26
TOTAL					7.00

**Total Rupees Seven Crores Only**



**For print and digital media** The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

**About Brickwork Ratings** :Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a leading public sector bank, as its promoter and strategic partner. BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations.

**DISCLAIMER** Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented “as is” without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.