

RATING RATIONALE

24 Dec 2020

AVN Petrochemicals India

Brickwork Ratings Reaffirms the ratings for the Bank Loan Facilities of Rs. 15.00 Crs. of AVN Petrochemicals India based on best available information, as the issuer did not cooperate.

Facilities**	Amount (Rs.Crs)		Tenure	Rating#	
	Previous	Present		Previous (Nov 2019)	Present
Non Fund Based	15.00	15.00	Short Term	BWR A4 (Downgraded) Issuer Not Cooperating *	BWR A4 (Reaffirmed) Issuer Not Cooperating *
Total	15.00	15.00	INR Fifteen Crores Only		

Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

* Issuer did not cooperate, based on best available information.

**Details of Bank facilities is provided in Annexure-1

RATING ACTION / NATURE OF NON-COOPERATION

The rating of the Bank Loan Facilities of the company has been reaffirmed at BWR A4, Issuer Not Cooperating on account of non-receipt of any information for ascertaining the financial risk profile/performance of the company. We have therefore continued the rating under the “Issuer Not Cooperating” category.

The rating was due for surveillance in November 2020. The firm was being regularly followed up for the surveillance, vide email and calls dated 20.11.2020, 07.12.2020, 10.12.2020, 17.12.2020, and 21.12.2020 for obtaining the relevant and latest information for the review of the rating. The firm did not cooperate in undertaking the rating process in spite of following up several times. In the absence of adequate information from the entity, BWR is unable to assess the entity’s financial performance and its ability to service its debt and maintain a valid rating.

Hence, on account of inadequate information and lack of management cooperation, BWR recommends to continue the rating under Issuer Non Cooperating category and has reaffirmed the rating of the Bank Loan Facilities of the firm at BWR A4, Issuer Not Cooperating.



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 ratings should therefore take into account possible deterioration in the credit quality of the rated entity arising from its non-transparency withholding of information required for a review of the rating.

COMPANY PROFILE (Information as on October 2014)

AVN Petrochemical India (AVNPI), incorporated in the year 2010, is a proprietorship firm. The firm is engaged in the trading of various products like HDPE/PPE/PVC etc. The firm sources its products from various countries such as Iran, Taiwan, USA and Middle Eastern Countries. AVNPI has its own warehouse located at Bhiwandi, Daman and Silvassa.

KEY FINANCIAL INDICATORS [AS AVAILABLE WITH BWR]

Key Financial Indicators	Units	FY 13	FY 12
Result Type		Audited	Audited
Total Operating Income	Rs. Crs	56.52	37.68
EBITDA	Rs. Crs	1.49	0.93
PAT	Rs. Crs	0.39	0.34
Tangible Net Worth	Rs. Crs	1.36	8.85
Total Debt /TNW	Times	4.42	1.11
Current Ratio	Times	4.62	9.22

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY : Nil

RATING HISTORY FOR THE PREVIOUS THREE YEARS [including withdrawal & suspended]

Instrument / Facilities	Current Rating			Rating History		
	Tenure	Amount (₹ Cr)	Rating	Nov 2019	2018	2017
Non Fund Based Letter of Credit	Short Term	15.00	BWR A4 Reaffirmed Issuer Not Co-operating *	BWR A4 Downgraded Issuer Not Co-operating *	-	-
Total		15.00	INR Fifteen Crores Only			

*Issuer did not co-operate. Based on the best available information
 Note: The initial rating of BWR A4+ was assigned in October 2014.

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](#)
- [What Constitutes Non Co-operation](#)

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ANNEXURE I

**AVN Petrochemicals India
Details of Bank Loan Facilities rated by BWR**

Sl.No.	Name of the Bank	Type of Facilities	Long Term [₹ Cr]	Short Term [₹ Cr]	Total [₹ Cr]
1	Punjab National Bank (E. Oriental Bank of Commerce)	Letter of Credit	-	15.00	15.00
TOTAL					15.00

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