

RATING RATIONALE

29 June 2020

Aditya Grain Industries

Brickwork Ratings downgrades the ratings for the Bank Loan Facilities of ₹11.88 crs of Aditya Grain Industries based on best available information, as Issuer did not Cooperate.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (May'19)	Present
Fund based	11.88	11.88	Long Term	BWR BB-Stable	BWR B+ Stable Downgrade Issuer Non Cooperation*
Total	11.88	11.88	INR Eleven crores and Eighty Eight Lakhs only.		

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

* Issuer not cooperation, based on best available information.

Complete Details of Bank facilities is provided in Annexure-I

RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

Initial rating was done in Mar'17 with rating assigned BWR B Stable. The rating was due for a review in May 2020 and was moved to Rating not Reviewed category on 18th May 2020. Despite the best efforts of BWR to get at least the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the issuer, BWR is unable to assess the company's financial performance and its ability to service its debt and maintain a valid rating and hence, BWR has downgraded the rating to BWR B+ Stable Issuer Non Cooperation.

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. Users of the credit ratings should therefore take into account the 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.

KEY FINANCIAL INDICATORS [As available in May 2019]

Key Parameters	Units	FY19	FY18
Result Type		Provisional	Audited
Operating Revenue	Rs in Crs	50.53	41.58
EBITDA	Rs in Crs	3.08	2.75
PAT	Rs in Crs	0.57	0.40
Tangible Net Worth (Analysed)	Rs in Crs	5.28	4.93
Total Debt/Net Worth (Analysed)	Times	1.72	2.56
Current Ratio	Times	1.66	1.39

COMPANY PROFILE [As available in May 2019]

Aditya Grain Industries is a partnership firm established in the year 2011 with its registered office in Gorakhpur, Uttar Pradesh. The firm is engaged in the business of processing of wheat to produce flour. The flour mill is located in Gonda district of Uttar Pradesh. The Firm's processing unit has an installed capacity of 51,000 MT per annum. Mr. Sharad Kumar Agarwal and Mr. Vikas Jalan are the partners of the firm.

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: Nil

RATING HISTORY (including withdrawals and suspensions)

Facilities	Current Rating (2020)			Rating History*		
	Amount (₹ Cr)	Tenure (Long Term/ Short Term)	Rating	2019	2018	2017
Fund Based	11.88	Long Term	BWR B+ Stable Downgrade Issuer Not Cooperating*	BWR BB- Stable		-
Total	11.88	INR Eleven crores and Eighty Eight Lakhs only.				

***Issuer Not Cooperating; Based on best available information**

Any other information

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-Cooperation](#)

For any other criteria obtain hyperlinks from website:

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ANNEXURE I

[Aditya Grain Industries]

Details of Bank Facilities rated by BWR

Sl.No.	Name of the Bank	Type of Facilities	Long Term [₹ Cr]	Short Term [₹ Cr]	Total [₹ Cr]
1.	Allahabad Bank	Cash Credit	10.75	-	10.75
		Term Loan	1.13	-	1.13
Total			11.88	-	11.88

INR Eleven crores and eighty eight lakhs only.

For print and digital media

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