

RATING RATIONALE

26 March 2020

Agarwal & Associates Impex Pvt. Ltd.

Brickwork Ratings downgrades the long term rating and reaffirms the short term rating for the Bank Loan facilities of ₹ 17.74 Crores of Agarwal & Associates Impex Pvt. Ltd. based on best available information, as the issuer did not cooperate.

Particulars

Facility	Amount (₹ Crores)		Tenure	Rating*	
	Previous	Present		Previous (February, 2018)	Present
Fund Based Cash Credit Term Loan	6.00 1.74	6.00 1.74	Long Term	BWR BB- Stable	BWR B Stable Downgraded Issuer Not Cooperating*
Non Fund Based ILC/FLC ILG/FLG/BC	10.00 (7.50)	10.00 (7.50)	Short Term	BWR A4	BWR A4 Reaffirmed Issuer Not Cooperating*
Total	17.74	17.74	INR Seventeen Crores and Seventy Four Lakhs 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-I

RATING ACTION

The Long term rating of the Bank Loan Facilities has been downgraded to BWR B/Stable and Short term rating has been reaffirmed to BWR A4 of Agarwal & Associates Impex Pvt. Ltd. as the issuer did not cooperate.

OUTLOOK / NATURE OF NON-COOPERATION

BWR had rated Bank Loan facilities of Agarwal & Associates Impex Pvt. Ltd. The initial rating was done on 09 February 2018 with rating assigned as BWR BB-(Stable)/A4. The Annual review was due in February 2019. The rating then moved to Rating Not Reviewed on 10 May 2019. BWR took up with the issuer to provide required information over emails and through telephone calls. Despite the best efforts of BWR to get the minimum required information for a review, the entity has not provided the same. BWR has been regularly seeking No Default Statement (NDS) from the entity, but the entity has not provided NDS. 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.

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 (in ₹ Cr) [AS AVAILABLE WITH BWR in February, 2018]

Key Parameters	Units	FY 16	FY 17
Result Type		Audited	Audited
Operating Revenue	Cr	37.23	49.64
EBITDA	Cr	3.15	2.95
PAT	Cr	0.37	0.40
TNW	Cr	4.79	5.68
(Total Debt/TNW)	times	4.92	4.10

COMPANY PROFILE [As available with BWR in February, 2018]

Agarwal & Associates Impex Pvt. Ltd. was incorporated as a private limited company in 2005. The registered office of the company is in Noida, Uttar Pradesh. Mr. Ankur Agarwal & Mrs. Shalini Agarwal are the directors of the company. The Company is in the business of manufacturing decorative ply and moulded doors. The products of the company are conforming to various BIS (Bureau of Indian Standards).

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: CRISIL B(Stable)/A4 (ISSUER NOT COOPERATING) dated November 14, 2019

Any other information: Not Available

RATING HISTORY

Instrument /Facility	Current Rating (March, 2020)			Rating History		
	Type (Long Term/ Short Term)	Amount (₹ Cr)	Rating	2019	February, 2018	2017
Fund Based Cash Credit Term Loan	Long Term	6.00 1.74	BWR B Stable Downgraded Issuer Not Cooperating*	-	BWR BB- Stable	-
Non Fund Based ILC/FLC ILG/FLG/B C	Short Term	10.00 (7.50)	BWR A4 Reaffirmed Issuer Not Cooperating*	-	BWR A4	-
Total		17.74	INR Seventeen Crores and Seventy Four Lakhs Only			

*Issuer did not cooperate; based on best available 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](#)

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ANNEXURE I

Agarwal & Associates Impex Pvt. Ltd 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.	Punjab National Bank	Fund Based			
		Cash Credit	6.00	-	6.00
		Term Loan	1.74	-	1.74
2.	Punjab National Bank	Non Fund Based			
		ILC/FLC	-	10.00	10.00
		ILG/FLG/BC	-	(7.50)	(7.50)
TOTAL					17.74

Total Seventeen Crores and Seventy Four Lakhs Only



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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.

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