



## RATING RATIONALE

20 Jan 2021

### Aggarwal Rice & General Mills

**Brickwork Ratings Revises the Long Term rating for the Bank Loan Facilities of ₹. 16.00 Crores of Aggarwal Rice & General Mills based on the best available information, as the issuer did not cooperate.**

#### Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (Sep, 2019)	Present
Fund Based Cash Credit	16.00	16.00	Long Term	BWR B (Stable) [Downgraded] Issuer Not Cooperating*	BWR B- (Stable) [Downgraded] Issuer Not Cooperating*
<b>Total</b>	<b>16.00</b>	<b>16.00</b>	<b>INR Sixteen crores only</b>		

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

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

Details of Bank facilities provided in Annexure-I

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

The long term rating has been downgraded to BWR B- (Stable) for the Bank Loan Facilities of the company under the 'Issuer Not Cooperating' category, based on the below said updates.

BWR had initially assigned rating of BWR B+(Stable) for the bank loan facilities on 20.11.2013. The rating was then reaffirmed on 11.02.2015 at BWR B+(Stable). On 21.11.2016; the rating was again reaffirmed at BWR B+(Stable). The rating was due for review Nov, 2017. Despite follow up by BWR, no information was received from the company in order to complete the annual surveillance process. Based on the publicly available information, subsequently the rating of the Company's bank loan facilities was downgraded to BWR B (Stable) and placed under "Issuer Not Cooperating Category" on 23.09.2019 as the company did not provide us the updated information.

Going forward, BWR took up with the issuer consistently to provide required information over emails apart from telephonic communication. Further, as we are unable to reach its bankers, banker's feedback regarding the conduct of the account is not available.

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 firm, BWR is unable to assess the firm'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]

Key Parameters	Units	FY 2016	FY 2015
Result Type		Audited	Audited
Operating Income	₹ Cr	33.35	29.44
EBIDTA	₹ Cr	2.44	2.28
PAT	₹ Cr	0.12	0.12
Tangible Networkth	₹ Cr	1.95	1.85
Total Debt : TNW	Times	13.27	9.27
Current Ratio	Times	1.65	1.30

### COMPANY PROFILE (As available with BWR in Nov, 2016)

Aggarwal Rice and General Mills is a partnership firm established in 2000 at Sri Muksar Sahib, Punjab. The firm is engaged in milling, processing and trading of basmati and non-basmati rice, while rice bran and paddy husk are by-products. The firm supplies rice to rice traders and dealers primarily in North India viz West Bengal, Haryana and Delhi. It also exports the products to Iran and Dubai.

**NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY:** Not Available

### RATING HISTORY FOR THE PAST THREE YEARS [including withdrawal and suspended]

Facilities	Current Rating			2020	Rating History	
	Tenure (Long Term/ Short Term)	Amount (₹ Cr)	Rating		23 Sep, 2019	2018*
Fund Based Cash Credit	Long Term	16.00	BWR B- (Stable) [Downgraded] "Issuer Not Cooperating"	-	BWR B (Stable) [Downgraded] "Issuer Not Cooperating"	-
Total		16.00	INR Sixteen crores only			

\*On 21.11.2016; the long term rating was reaffirmed at BWR B+ (Stable)



\*On 11.02.2015; the long term rating was reaffirmed at BWR B+ (Stable)

\*On 20.11.2013; the long term rating assigned was BWR B+ (Stable)

**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](#)

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**ANNEXURE I**

***Aggarwal Rice & General Mills***

**Details of Bank Facilities rated by BWR**

Sl. No.	Type of Facilities	Long Term [₹ Cr]	Short Term [₹ Cr]	Total [₹ Cr]
1.	Fund Based Cash Credit	16.00	-	16.00
<b>TOTAL</b>				<b>16.00</b>

**Total Rupees Sixteen crores only.**



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