



Rating Rationale

Aggarwal Rice and General Mills

23 Sept 2019

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

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#				
	Previous	Present		Initial (Nov 2013)	Reaffirmed (Feb 2015)	Reaffirmed (Nov 2016)	Previous (Aug 2018)	Present
Fund based	16.00	16.00	Long Term	BWR B+ Stable	BWR B+ Stable	BWR B+ Stable	RNR	BWR B (BWR B) Stable [Downgraded] Issuer Not Cooperating*
Total	16.00	16.00	INR Sixteen 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 provided in Annexure-I

RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

The rating of the Bank Loan Facilities of the firm have been downgraded to BWR B Stable under 'Issuer Not Cooperating' category from BWR B+ Stable.

BWR had initially rated Bank Loan facilities amounting Rs.16.00 Crs (Fund based) on Nov, 2013 assigning rating of BWR B+ Stable. The rating was reaffirmed in Feb 2015 & Nov 2016. The rating was moved to RNR in Aug 2018. BWR took up with the issuer consistently to provide required information over emails and telephonic communication. Further, as BWR is unable to reach its bankers, banker's feedback regarding the conduct of 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]

Particulars	Units	2015	2016
		Audited	Audited
Net Sales/Revenues	₹ Cr	29.44	33.35
EBITDA	₹ Cr	2.28	2.44
PAT	₹ Cr	0.12	0.12
Tangible Net Worth	₹ Cr	1.85	1.95
Total Debt : TNW	Times	9.27	13.27
Current Ratio	Times	1.30	1.65

COMPANY PROFILE

Aggarwal Rice and Gen. Mills is a partnership firm established in 2000 at Sri Muktsar 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

Instrument / Facilities	Current Rating			Rating History			
	Tenure (Long Term/ Short Term)	Amount (₹ Cr)	Current Rating	2018	2016	2015	2013
Fund Based	Long Term	16.00	BWR B (BWR B) Stable [Downgraded] Issuer Not Cooperating*	RNR	BWR B+ Stable Reaffirmed	BWR B+ Stable Reaffirmed	BWR B+ Stable
Total		16.00	INR Sixteen Crores Only				

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

Aggarwal Rice and General Mills 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.	Oriental Bank of Commerce, Muktsar, Punjab	CC	16.00	-	16.00
TOTAL					16.00

INR Sixteen Crores Only

For print and digital media

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DISCLAIMER

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