



RATING RATIONALE

07 May 2020

Aggarwals Foods India

Brickwork Ratings downgrades the long term rating for the Bank Loan facilities of ₹ 10.06 Crores of Aggarwals Foods India based on best available information, as the issuer did not cooperate.

Particulars

Facility	Amount (₹ Crores)		Tenure	Rating*	
	Previous	Present		Previous (March, 2018)	Present
Fund Based	10.06	10.06	Long Term	BWR B Stable	BWR B- Stable Downgraded ISSUER NOT COOPERATING*
Total	10.06	10.06	INR Ten Crores & Six 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 have been downgraded to BWR B-/Stable of Aggarwals Foods India as the issuer did not cooperate.

OUTLOOK / NATURE OF NON-COOPERATION

BWR had rated Bank Loan facilities of Aggarwals Foods India. The initial rating was done on 06 March 2018 with rating assigned as BWR B/Stable. The Annual review was due in March, 2019. The rating then moved to Rating Not Reviewed on 07 June 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 from the last 6 months. 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 March, 2018]

Key Parameters	Units	FY 16	FY 17
Result Type		Audited	Audited
Operating Revenue	Cr	5.08	5.56
EBITDA	Cr	1.99	1.49
PAT	Cr	0.00	0.03
TNW	Cr	2.89	2.23
(Total Debt/TNW)	times	2.90	2.88

FIRM PROFILE [As available with BWR in March, 2018]

M/S Aggarwal Foods India is a partnership firm managed by Mr Praveen Agarwal & Mr. Ashish Agarwal. The Firm was established on 10th January 2014 for the purpose of carrying out the activity of frozen foods at village Shimla, Pistor, Rudrapur. It has an annual storage capacity of 2000 MT. It processes & supplies frozen foods like cauliflower, okra, green peas, beans, sweet corn and onions.

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: Not Known

Any other information: Not Available

RATING HISTORY FOR THE LAST 3 YEARS (INCLUDING WITHDRAWN/SUSPENDED)

Instrument /Facility	Current Rating (May, 2020)			Rating History		
	Type (Long Term/ Short Term)	Amount (₹ Cr)	Rating	2019	March, 2018	2017
Fund Based	Long Term	10.06	BWR B- Stable Downgraded ISSUER NOT COOPERATING*	-	BWR B Stable	-
Total		10.06	INR Ten Crores & Six 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

Aggarwals Foods India 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.	Bank of Baroda	Fund Based	10.06	-	10.06
TOTAL					10.06

Total Ten Crores & Six Lakhs Only

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