

RATING RATIONALE

27Mar2020

Agni

Brickwork Ratings revises the ratings for the Bank Loan Facilities of ₹15.00 crs of Agni based on best available information.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (Oct'18)	Present
Fund based	15.00	15.00	Short Term	BWR A4+	BWR A4 Downgrade Issuer Not Cooperating*
Total	15.00	15.00	INR Fifteen crores only.		

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

* Issuer not cooperating, 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 October 2018 with rating assigned BWR A4+. The rating was due for a review in October 2019 and was moved to Rating not Reviewed category on 31st Oct 2019. 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 A4 Issuer Not Cooperating.



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 October 2018]

Key Parameters	Units	FY17	FY18
Result Type		Audited	Audited
Net Sales	Rs in Crs	42.02	44.14
EBITDA	Rs in Crs	2.58	1.79
PAT	Rs in Crs	2.35	1.35
Tangible Net Worth	Rs in Crs	5.47	5.85
Total Debt/Tangible Net Worth	Times	1.57	3.12
Current Ratio	Times	1.20	0.95

COMPANY PROFILE [As available in October 2018]

Agni is a partnership firm constituted in 1993 at Bhadohi. It is engaged in manufacturing and export of handmade carpets. They manufacture a wide range of hand-knotted carpets and export around 95% of their products.

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: Nil

RATING HISTORY

Facilities	Current Rating (2020)			Rating History*		
	Amount (₹ Cr)	Tenure (Long Term/ Short Term)	Rating	2019	2018	2017
Fund Based	15.00	Long Term	BWR A4 Downgrade Issuer Not Cooperating*	-	BWR A4+	-
Total	15.00	INR Fifteen crores 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:

Analytical Contacts	Investor and Media Relations
<p>[Shweta Tandon] Primary Analyst [Board: -91 11 23412232 Ext:111] [shweta.t@brickworkratings.com]</p> <p>[Satvinder Gakhar] [Associate Director – Ratings] [Board: 91 11 23412232] [rksharma@brickworkratings.com]</p>	<p>Liena Thakur Assistant Vice President - Corporate Communications +91 84339 94686 liena.t@brickworkratings.com</p>

ANNEXURE I

[Agni]

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.	State Bank of India	Export Packing Credit	-	9.00	9.00
2.		Foreign Bill Purchased	-	6.00	6.00
Total			-	15.00	15.00

INR Fifteen crores only.

For print and digital media

The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

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.

DISCLAIMER

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