



## Rating Rationale

### Agrawal Warehousing & Logistics

31Oct2018

Brickwork Ratings has reviewed the Rating for the Bank Loan facilities of ₹ 5.92 Crore of Agrawal Warehousing & Logistics based on best available information, as the issuer did not cooperate. Accordingly the rating for the said instrument is as under

#### Particulars

Facility	Amount (₹ Cr)		Tenure	Rating*	
	Previous	Present		Previous (Feb 2015)	Present
Fund based Term Loan	5.92	5.92	Long Term	BWR B (Pronounced as BWR Single B) Outlook:Stable	Issuer did not Co-operate; BWR B- (Pronounced as BWR Single B Minus) (Outlook:Stable (Downgraded)
	5.92	5.92	₹ Five Crores and Ninety Two Lakhs Only		

\*Please refer to BWR website [www.brickworkratings.com/](http://www.brickworkratings.com/) for definition of the ratings .Rating Not Reviewed Advisory Issued on 14 June 2017.Issuer did not co-operate; based on best available information

#### Ratings: Downgraded

**Nature of Non-co-operation:** The rating was due for a review in Feb 2016.BWR took up with the issuer to provide required information over emails dated July 23 2018,August 21 2018, September 20 2018.and through telephone calls. 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/firm, BWR is unable to assess the issuer's/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.

31Oct2018



### About the Company (Information as available in Feb 2015)

Agrawal Warehousing and Logistics is a proprietorship firm established in February 2013. The firm operates warehouses/godown facilities in Khasra Damoh. The firm has a tie up with Madhya Pradesh Warehousing and Logistics Corporation for storage of grains on rental basis at a pre agreed price per quintal. The warehouse is rented to store various agricultural food products such as grams, soya, grains etc.

The set up of warehouse has been funded by promoter's capital, unsecured loans from relatives and term loan of Rs 7.20 Crs sanctioned by Union Bank Of India. The firm also qualifies to receive total subsidy grant from NABARD for Rs 3.00 Crs approx. in two tranches out of which first installment has already been received.

The firm has a partnership group firm- Agrawal Dal Mills(ADM) engaged in processing of gram chana/masoor dal located in Damoh. ADM is promoted by Mr Rakesh Agrawal.

### Rating History for the last three years (including withdrawn/suspended ratings)

S.No	Facility	Current Rating (2018)			Rating History		
		Type	Amount (₹ Cr)	Rating^	14 .6.2017	4. 2.2015	2014
1)	<b>Fund Based Term Loan</b>	Long Term	5.92	<b>Issuer Did Not Co-operate BWR B- (Pronounced as BWR Single B Minus) (Outlook Stable)</b>	<b>Rating Not Reviewed</b>	<b>BWR B (Outlook:Stable) (Pronounced as BWR Single B)</b>	<b>Not Rated</b>
	<b>Total</b>		<b>5.92</b>	<b>₹ Five Crores and Ninety Two Lakhs Only</b>			

^Issuer did not co-operate; based on best available information

Status of non-cooperation with previous CRA (if applicable)-NA

Any other information-Care B+(Outlook:Stable) for Rs 2.80  
Crs on June 29, 2018



**Hyperlink/Reference to applicable Criteria**

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [What Constitutes Non-Cooperation](#)

**Agrawal Warehousing & Logistics**  
**Annexure I**

Particulars	Units	2015 Projected	2016 Projected
Net Sales/Revenues	₹ Cr	1.76	1.76
EBIDTA	₹ Cr	1.53	1.53
PAT	₹ Cr	0.47	0.55
Tangible Network	₹ Cr	5.82	6.36
Total Debt : TNW	Times	1.11	0.91
Current Ratio	Times	NA	NA

*Note: As per information available with BWR*

Analytical Contacts	Media
<i>Venkatesh</i> <i>CGM-Ratings</i>	<a href="mailto:media@brickworkratings.com">media@brickworkratings.com</a>
<a href="mailto:analyst@brickworkratings.com">analyst@brickworkratings.com</a>	<b>Relationship Contact</b>
	<a href="mailto:bd@brickworkratings.com">bd@brickworkratings.com</a>
<b>Phone: 1-860-425-2742</b>	

**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.



**Note on complexity levels of the rated instrument:**

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at [www.brickworkratings.com/download/ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf) Investors queries can be sent to [info@brickworkratings.com](mailto:info@brickworkratings.com).

**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. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 13,22,500 Cr. In addition, BWR has rated over 7000 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹62,000 Cr have been rated.

BWR has rated over 30 PSUs/Public Sector banks, as well as many major private players. BWR has a major presence in ULB rating of nearly 102 cities

**DISCLAIMER**

Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented “as is” without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.