

RATING RATIONALE

Agron India Ltd.

23 Jan 2020

Brickwork Ratings revises the ratings for the Bank Loan Facilities of ₹ 11.14 Crores of Agron India Ltd. based on best available information, as the issuer did not cooperate.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (Nov 2019)	Present
Fund based Cash Credit	8.00	8.00	Long Term	BWR B- Stable (Downgraded) Issuer Not Cooperating*	BWR C- (Downgraded) Issuer Not Cooperating^
Fund based Term Loan	2.12	2.12			
Non Fund Based-BG/LC	1.02	1.02	Short Term	BWR A4 Reaffirmed Issuer Not Cooperating*	BWR A4 Reaffirmed Issuer Not Cooperating^
Total	11.14	11.14		INR Eleven Crores and Fourteen 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 /NATURE OF NON-COOPERATION

The rating was due for a surveillance. BWR took up with the issuer to provide required information over emails dated 26/9/19, 1/10/19, 7/11/19, 14/11/19, 21/1/20 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. As per the publicly available information **Company is under Insolvency and Bankruptcy Board of India vide public announcement.** In the absence of adequate information from the issuer/Company, BWR is unable to assess the issuer's/Company's financial performance and its ability to service its debt and maintain a valid rating. Hence based on the above Brickworks Ratings has revised and downgraded the rating of bank loan facilities as **BWR C-/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 rating should therefore take into account the possible deterioration in the credit quality of the rated entity arising from its non- transparency and withholdings of the information required for a review of the rating.

KEY FINANCIAL INDICATORS (in ₹ Cr) [AS AVAILABLE WITH BWR]

Key Parameters	Units	FY 2012	FY 2011
Result Type		Audited	Audited
Net Sales/Revenues	₹ Cr	32.05	56.31
EBITDA	₹ Cr	3.45	1.68
PAT	₹ Cr	1.49	0.40
Tangible Net Worth	₹ Cr	4.99	3.50
Total Debt /TNW	Times	2.41	2.91
Current Ratio	Times	0.23	0.41

COMPANY PROFILE (Information as on 2013)

Agron India Ltd (AIL) is a closely held public limited company incorporated in the year 2004. The company promoted and managed by Mr. Sadanand Pandey is engaged in bulk trading. Previously the company was into trading of industrial raw materials and other commodities. Since FY11 the trading profile of the company has been limited to commodities across pharmaceutical, therapeutic, healthcare, cosmetics and coal segment in domestic and foreign markets. The company had also invested in a mini re-refinery and crude distillation plant in the state of Maharashtra in the FY 2010 and is planning to enter Lubricant and petrochemical business in the domestic and overseas market. In addition to trading the company is also engaged in branding of various pharmaceutical and therapeutic products which are sold both in domestic and foreign markets under the brand name Naturon

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY :NIL

RATING HISTORY

Facility	Current Rating			Rating History		
	Tenure	Amount	Rating	Previous (Nov 2019)	Previous (Feb 2017)	Previous (Feb 2013)
Fund Based	Long Term	10.12	BWR C- (Downgraded) Issuer Not Cooperating*	BWR B- Stable (Downgraded) Issuer Not Cooperating*	Rating Not Reviewed	BWR B Stable
Non Fund Based	Short Term	1.02	BWR A4 Reaffirmed Issuer Not Cooperating*	BWR A4 Reaffirmed Issuer Not Cooperating*		BWR A4
Total		11.14	INR Eleven Crores and Fourteen lakhs 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](#)

For any other criteria obtain [hyperlinks](#) from website

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ANNEXURE I

Agron India Ltd.

Details of Bank Facilities rated by BWR

Sr.No.	Name of the Bank	Type of Facilities	Tenure	Total [₹ Cr]
1	Bank Of Baroda	Cash Credit	Fund Based-Long Term	8.00
		Term Loan	Fund Based-Long Term	2.12
		LC/BG	Non Fund based-Short Term	1.02
TOTAL				11.14



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