

RATING RATIONALE

Agron India Ltd.

29 Nov 2019

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 (Feb 2013)	Previous (Feb 2017)	Present
Fund based Cash Credit	8.00	8.00	Long Term	BWR B Stable	Rating Not Reviewed	BWR B-Stable (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		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 long term rating of the Bank Loan Facilities of the company has been downgraded to BWR B-(Stable) from BWR B(Stable) and the short term rating has been reaffirmed at BWRA4, based on the best available information, as the client has not submitted any information for ascertaining the financial risk profile/performance of the company and we have moved the rating under “Issuer Not Cooperating” category.

The rating was due for a review. 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 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/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 on account of inadequate information and lack of management cooperation, Brickworks Ratings has revised the rating of bank loan facilities as

BWR B-(Stable)/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 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 (Feb 2017)	Previous (Feb 2013)
Fund Based	Long Term	10.12	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
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

Analytical Contacts	Investor and Media Relations
<p>Nagesh Kadu Ratings Analyst B :+91 202267456 Ext :619 nagesh.k@brickworkratings.com</p> <p>Sushil Kumar Chitkara Associate Director - Ratings B :+91 22 2831 1426, +91 22 2831 1439 sushilkumar.c@brickworkratings.com</p>	<p>Liena Thakur Assistant Vice President - Corporate Communications +91 84339 94686 liena.t@brickworkratings.com</p>

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

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 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