Rating Rationale

Anand Rathi Commodities Ltd

14 Mar 2018

Brickwork Ratings has reviewed the Rating for the Bank Loan facilities of ₹ 75.00 Crore of Anand Rathi Commodities Ltd 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,2017)	Present
Non Fund Based	75.00	75.00	Short Term	BWR A3 Ratings under Watch With Developing Implications	**Issuer did not Co-operate; BWR A3** (BWR A Three) **Rating under watch with developing implications** *Reaffirmed*
Total	**75.00**	**75.00**	**₹ Seventy Five Crores Only**		

*Please refer to BWR website www.brickworkratings.com/ for definition of the ratings
Issuer did not co-operate; based on best available information

Ratings: Reaffirmed

Nature of Non-co-operation:
The rating was due for a review in February 2018. BWR took up with the issuer to provide required information over e-mails dated 05.02.18 & 13.02.18 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.

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 withholding of information required for a rating.

About the Company (Information as available in February, 2017)
Anand Rathi Commodities Ltd (ARCL), earlier known as Navratan Commodities Limited, is a wholly owned subsidiary of Anand Rathi Financial Services Ltd. The Company was incorporated in 1991 at Mumbai and undertakes commodity brokerage activities at National Commodity & Derivatives Exchange Limited (NCDEX), Multi Commodity Exchange (MCX) and National Multi Commodity Exchange of India Limited (NMCE).

Rating History for the last three years (including withdrawn/suspended ratings)

S.No	**Instrument /Facility**	**Current Rating (2018)**			**Rating History**		
		Type	Amount (₹ Cr)	Rating^	09 Feb ‘17	31 Dec ‘16	15 Apr ‘15
1.	**Non Fund Based** Bank Guarantee	Short Term	75.00	**Issuer Not Cooperating BWR A3 Rating under watch with developing implications** *Reaffirmed*	BWR A3 Rating under watch with developing implications	BWR A3 Rating Not Reviewed	BWR A3 Rating under watch with developing implications
	Total		**75.00**	**₹ Seventy Five Crores Only**			

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

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

Hyperlink/Reference to applicable Criteria

- **General Criteria**
- **Approach to Financial Ratios**
- **What Constitutes Non-Cooperation**

For any other criteria obtain hyperlinks from website

Anand Rathi Commodities Ltd
Annexure I

Particulars	Units	2015	2016
Net Sales/Revenues	₹ Cr	15.77	16.39
EBIDTA	₹ Cr	-2.75	1.41
PAT	₹ Cr	-2.46	0.33
Tangible Networth	₹ Cr	8.05	8.39
Total Debt : TNW	Times	0.04	0.04
Current Ratio	Times	1.10	1.09

Note: As per information available with BWR

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For print and digital media
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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 Investors queries can be sent to info@brickworkratings.com.

About Brickwork Ratings

Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, has also been 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 Nationalized 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, Guwahati, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 10,00,000 Cr. In addition, BWR has rated over 6300 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹24,440 Cr have been rated.

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