



Rating Rationale

Anu Products Ltd.

13 Feb, 2017

Brickwork Ratings upgrade ratings for the Bank Loan Facilities of Anu Products Ltd.

Particulars

Facility Rated	Previous Amount (Rs. Crs)	Current Review Amount (Rs. Crs)	Tenure	Previous Rating	Current rating
Fund Based Cash Credit	37.50	37.50	Long Term	BWR BBB- (BWR Triple B Minus) Outlook: Stable	BWR BBB (BWR Triple B) Outlook: Stable Upgraded
Non Fund Based FLC/ILC	20.50	19.50	Short Term	BWR A3	BWR A3 Reaffirmed
Total	58.00	Rs 57.00 Crores (Rupees Fifty Seven Crores Only)			

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

Rating Upgraded

Rationale/Description of Key Rating Drivers/Rating sensitivities:

The assigned rating derives comfort from experienced promoters, established relationships with customers and suppliers, strong debt protection metrics, low gearing, consistent growth in sales and profit during the last 4 years showing strong fundamentals of the company. However, the rating is constrained by a stretched cash conversion cycle, irregular demand for agrochemicals, due to dependence on agricultural seasonality, and tough competition from domestic as well foreign companies.

Rating Outlook: Stable

BWR believes the *Anu Products Ltd.*'s business risk profile will be maintained over the medium term. The 'Stable' outlook indicates a low likelihood of rating change over the medium term. The rating outlook may be revised to 'Positive' in case the revenues and profit show sustained



improvement. The rating outlook may be revised to 'Negative' if the revenues go down and profit margins show lower than expected figures.

About the Company

Anu Products Ltd, an ISO-9001:2008 certified Company, was incorporated in 1990 and commenced operations from 1992 after setting up a plant for manufacture of pesticides at Faridabad, with another plant being set-up at Jammu during 2008-09. The Company is engaged in manufacturing of agrochemical products with a range of plant protection chemicals including insecticides, herbicides, fungicides, weedicides, plant growth regulators, bio regulators, bio-pesticides and bio-fertilizers.

Company Financial Performance

Operating revenue improved from Rs 147.98 Cr in FY15 to Rs. 156.84 Cr in FY16 and PAT increased from Rs. 5.25 Cr in FY15 to Rs. 5.56 Cr in FY16. As advised by the company, they have achieved turnover of Rs. 131.86 Cr in HIFY17

Rating History for the last three years: (including withdrawn/suspended ratings)

S.No.	Instrument /Facility	Current Rating (Year 2017)			Rating History			
		Type	Amount (Rs Crs)	Rating	2016	2015	2014	
1	Cash Credit	Long Term	37.50	BWR BBB (BWR Triple B) Outlook: Stable Upgraded	BWR BBB- (BWR Triple B Minus) Outlook: Stable	BWR BBB- (BWR Triple B Minus) Outlook: Stable	NA	
2.	FLC/ILC	Short Term	19.50	BWR A3	BWR A3	BWR A3		
			Rs 57.00 Cr (Rupees Fifty Seven Crore Only.)					

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

Any other information – NIL



Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [Manufacturing Companies](#)
- [Short Term Debt](#)

For any other criteria obtain hyperlinks from website

Analysts	Media
Ashwini Mital Sr. G. M.	media@brickworkratings.com
analyst@brickworkratings.com	Relationship Contact
	bd@brickworkratings.com
Phone: 1-860-425-2742	

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 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 ₹ 9,30,000 Cr. In addition, BWR has rated about 5000 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹19,700 Cr have been rated. Brickwork has a major presence in rating of nearly 100 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.