

RATING RATIONALE

Arun Agriculture

Brickwork Ratings Revises and downgrades the long term rating for the Bank Loan Facilities ₹ 7.50 crores of Arun Agriculture based on best available information, as the issuer did not cooperate.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (May, 2018)	Present
Fund Based Cash Credit	2.50	2.50	Long Term	BWR B (Stable) Issuer Not Cooperating	BWR C (Stable) (Downgraded) Issuer Not Cooperating*
Non Fund Based Bank Guarantee	5.00	5.00	Short Term	BWR A4 Issuer Not Cooperating	BWR A4 (Reaffirmed) Issuer Not Cooperating
Total	7.50	7.50	INR Seven Crores Fifty Lakhs Only		

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

* Issuer did not cooperate, based on best available information.

RATING ACTION/ OUTLOOK/NATURE OF NON-COOPERATION :

Brickwork Ratings Downgrades the Long Term rating to BWR C/A4 from BWR B(Stable)/A4 for the Bank Loan Facilities ₹ 7.50 crores of **Arun Agriculture** based on best available information since the client did not submit any documents and details, as the issuer did not cooperate.

BWR has assigned the rating of BWR B(Stable)/A4 in **May,2018**. The rating was due for surveillance in **May,2019**. The firm was being followed up for surveillance dated 6th June 2019, 13th January, 14th January, 24th February 2020 for its rating but no information has been received despite close follow up. The concern Arun Agriculture did not cooperate for review of rating for the bank loan facilities of Rs.7.50 Crs. In the absence of adequate information from the Company, Brickwork Ratings is unable to assess the 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, BWR has downgraded the rating BWR C/A4 under the Issuer Not Cooperating category.

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) (Information received as on May,2014)

Key Parameters	Units	FY 13	FY 12
Result Type		Audited	Audited
Operating Revenue	₹ Crs	74.49	65.77
EBITDA	₹ Crs	1.09	1.12
PAT	₹ Crs	0.29	0.16
Tangible Networth	₹ Crs	1.56	1.63
Total Debt / Tangible Networth	Times	2.50	2.45
Current Ratio	Times	1.10	1.10

COMPANY PROFILE (Information received as on May,2014)

M/s Arun agriculture was established in 1996 and the registered office is located at Deopuri, Raipur. Firm is an authorized dealer of Mahindra and Mahindra for Tractors and agricultural equipment. The firm market presence is in Durg, Rajnandgaon, Gariaband and Balod districts of Chhattisgarh.

NON-COOPERATION WITH PREVIOUS RATING AGENCY :- NA

RATING HISTORY

Facilities	Current Rating			Rating History		
	Tenure	Amount (₹ Cr)	Rating	2019	2018	2017
Fund Based	Long Term	2.50	BWR C (Downgrade) Issuer Not Cooperating*	-	BWR B (Stable) Issuer Not Cooperating	-
Non Fund Based	Short term	5.00	BWR A4 (Reaffirmed) Issuer Not Cooperating		BWR A4 Issuer Not Cooperating	
Total		7.50	INR Seven Crores Fifty Lakhs Only			

* Issuer did not cooperate. Based on best available information

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 Ratio](#)
- [What constitutes Non cooperation](#)



Analytical Contacts	Investor and Media Relations
<p>Shweta Manohar Rating Analyst D : +91 22 67456653 B: +91 22 28311426, +91 22 28311439 shweta.m@brickworkratings.com</p> <p>Sushil Kumar Chitkara Associate Director – Ratings B : +91 22 28311426, +91 22 28311439 sushilkumar.c@brickworkratings.com</p>	<p>Liena Thakur Assistant Vice President - Corporate Communications +91 84339 94686 liena.t@brickworkratings.com</p>

ANNEXURE I

Arun Agriculture

Details of Bank Facilities rated by BWR

Sl.N o.	Name of the Bank	Facilities	Type	Tenure	Total [₹ Cr]
1.	Bank of Baroda, Main Branch, Raipur	Cash Credit	Fund Based	Long Term	2.50
2.		Bank Guarantee	Non Fund Based	Short term	5.00
INR Seven Crores Fifty Lakhs Only					7.50

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