



## Rating Rationale

Arun Trade Combines

21 May 2018

Brickwork Ratings has reviewed the Rating for the Bank Loan facilities of ₹9.00 Crore of Arun Trade Combines based on best available information, as the issuer did not cooperate. Accordingly the rating for the said instrument is Downgraded to BWR B (Outlook:Stable)/ BWR A4 on ISSUER NOT COOPERATING.

### Particulars

Facility	Amount (₹ Cr)		Tenure	Rating*		
	Previous	Present		Initial (May, 2014)	Previous (Dec, 2016)	Present
Fund based Cash Credit	2.50	2.50	Long Term	BWR B+ (Outlook:Stable)	Ratings not Reviewed	Issuer did not Cooperate; BWR B (Outlook:Stable) (Pronounced as BWR Single B) (Downgraded)
Non Fund Based Bank Guarantee	6.50	6.50	Short Term	BWR A4	Ratings not Reviewed	BWR A4 (Pronounced as BWR A Four) (Reaffirmed)
<b>Total</b>	<b>9.00</b>	<b>9.00</b>	<b>(₹ Nine Crores Only)</b>			

\*Please refer to BWR website [www.brickworkratings.com/](http://www.brickworkratings.com/) for definition of the ratings  
Issuer did not cooperate; based on best available information

### Ratings: Long term Downgraded & short term reaffirmed

**Nature of Non-co-operation:** The rating was due for a review in May 2015. BWR took up with the issuer to provide required information over emails dated October 05, 2017, October 25, 2017 and December 18, 2017 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 Company, BWR is unable to assess the Company's financial performance and its ability to service its debt and maintain a valid rating.

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**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.

**About the Company (Information as available in May, 2014)**

Arun agriculture was established in 2000 and registered office is located at Deopuri, Raipur. The firm is an authorized dealer of Mahindra and Mahindra for Tractors and agricultural equipments. It deals with different models of Tractors ranging from 15HP to 60 HP. On an average between 39HP to 42 HP tractors are sold more. The company has branch office at Durg and have 8 service outlets. Out of eight service outlets, six outlets are owned and 2 outlets are rented. The firm market presence is in Raipur, Gariaband and Baloda Bazar.

**Rating History for the last three years (including withdrawn/suspended ratings)**

S.No	Facility	Current Rating (2018)			Rating History		
		Type	Amount (₹ Cr)	Rating^	27.12. 2016	2015	9.5. 2014
	Fund Based	Long Term	2.50	BWR B. (Pronounced as BWR B) (Outlook:Stable) (Downgraded)	Ratings Not Reviewed	Not Rated	BWR: B+ (Pronounced as BWR Single B Plus) (Outlook: Stable)
	Non Fund Based	Short Term	6.50	BWR A4 (Pronounced as BWR A Four) Reaffirmed		Not Rated	BWR A4 (Pronounced as BWR A Four)
	Total		9.00	₹Nine Crores Only			

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

**Status of non-cooperation with previous CRA :CRISIL suspended ratings of Crisil BB-/A4+ on 3..10.2016**

**Any other information :NIL**

### Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [What Constitutes Non-Cooperation](#)

### Arun Agriculture Annexure I

Particulars	Units	2013	2012
Result Type		Audited	Audited
Net Sales/Revenues	₹ Cr	95.77	114.36
EBIDTA	₹ Cr	1.95	2.20
PAT	₹ Cr	0.32	0.36
Tangible Networkth	₹ Cr	1.52	1.52
Total Debt : TNW	Times	3.89	6.15
Current Ratio	Times	1.05	1.05

*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](http://www.brickworkratings.com/download/ComplexityLevels.pdf) Investors queries can be sent to [info@brickworkratings.com](mailto: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.

**DISCLAIMER**

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