

Press Release

Merchant Agri Global Private Limited

August 14, 2020

Rating Update



Total Bank Facilities Rated	Rs. 112.50 Cr. #
Long Term Rating	ACUITE B- (Downgraded from ACUITE BB/Stable) Issuer not co-operating*
Short Term Rating	ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating*

Refer Annexure for details

* The issuer did not co-operate; Based on best available information.

Acuité has downgraded the long-term rating to '**ACUITE B-**' (read as **ACUITE B minus**) from '**ACUITE BB**' (read as **ACUITE double B**) and the short term rating to '**ACUITE A4**' (read as **ACUITE A four**) from '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs. 112.50 crore bank facilities of Merchant Agri Global Private Limited (MAPL). This rating is now an indicative rating and is based on the best available information. The rating is downgraded on account of information risk.

The Indore-based MAPL was incorporated in 2006, and is promoted by Mr. Abhishek Agrawal and family. The company is engaged in the trading and exporting of agricultural commodities, mainly animal feed raw materials that various types of meals, de-oiled rice bran, millet, maize, wheat and rice, among others. Mr. Abhishek Agrawal (Managing Director) manages the day-to-day operations of the company.

Non-cooperation by the issuer/borrower

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Trading Entities - <https://www.acuite.in/view-rating-criteria-61.htm>

Limitation regarding information availability

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité endeavoured to gather information about the entity/industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

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

Not Applicable

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
05-Jun-2019	Cash Credit	Long Term	35.00	ACUITE BB/Stable (Downgraded from ACUITE BB+/Stable)
	Packing Credit	Short Term	5.00	ACUITE A4+ (Reaffirmed)
	Cash Credit	Long Term	15.00	ACUITE BB/Stable (Downgraded from ACUITE BB+/Stable)
	Post Shipment Credit	Short Term	20.00	ACUITE A4+ (Reaffirmed)
	Cash Credit	Long Term	15.00	ACUITE BB/Stable (Downgraded from ACUITE BB+/Stable)
	Proposed Bank Facility	Short Term	22.50	ACUITE A4+ (Reaffirmed)
09-Mar-2018	Cash Credit	Long Term	25.00	ACUITE BB+/Stable (Downgraded from ACUITE BBB-/Stable)
	Cash Credit	Long Term	10.00	ACUITE BB+/Stable (Downgraded from ACUITE BBB-/Stable)
	Cash Credit	Long Term	10.00	ACUITE BB+/Stable (Downgraded from ACUITE BBB-/Stable)
	Packing Credit	Short Term	15.00	ACUITE A4+ (Downgraded from ACUITE A3)
	Post Shipment Credit	Short Term	20.00	ACUITE A4+ (Downgraded from ACUITE A3)
	Packing Credit	Short Term	15.00	ACUITE A4+ (Downgraded from ACUITE A3)
	Cash Credit	Long Term	15.00	ACUITE BB+/Stable (Assigned)
	Proposed Short Term Loan	Short Term	2.50	ACUITE A4+ (Assigned)
01-Dec-2016	Cash Credit	Long Term	25.00	ACUITE BBB-/Stable (Reaffirmed)
	Cash Credit	Long Term	15.00	ACUITE BBB-/Stable (Reaffirmed)
	Cash Credit	Long Term	10.00	ACUITE BBB-/Stable (Reaffirmed)
	Packing Credit	Short Term	25.00	ACUITE A3 (Reaffirmed)
	Post Shipment Credit	Short Term	20.00	ACUITE A3 (Reaffirmed)
	Packing Credit	Short Term	15.00	ACUITE A3 (Reaffirmed)
	Derivative Exposure	Short Term	1.30	ACUITE A3 (Reaffirmed)
	Derivative Exposure	Short Term	1.20	ACUITE A3 (Reaffirmed)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	35.00	ACUITE B- (Downgraded from ACUITE BB /Stable) Issuer not co-operating*
Packing Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE B- (Downgraded from ACUITE BB /Stable) Issuer not co-operating*
Post Shipment Credit	Not Applicable	Not Applicable	Not Applicable	20.00	ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE B- (Downgraded from ACUITE BB /Stable) Issuer not co-operating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	22.50	ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating*

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About Acuité Ratings & Research:

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