

Press Release

Arjuna Natural Limited

April 15, 2020

Rating Update



Total Bank Facilities Rated	Rs. 50.00 Cr. #
Long Term Rating	ACUITE BBB+ (Downgraded from ACUITE A /Stable) Issuer not co-operating*
Short Term Rating	ACUITE A2 (Downgraded from ACUITE A1) Issuer not co-operating*

Refer Annexure for details

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

Acuite has downgraded the long term rating to '**ACUITE BBB+**' (read as **ACUITE triple B plus**) from '**ACUITE A**' (read as **ACUITE A**) and short term rating to '**ACUITE A2**' (from **ACUITE A two**) from '**ACUITE A1**' (read as **ACUITE A one**) on the Rs. 50.00 crore bank facilities of Arjuna Natural Limited (ANL). This rating is now an indicative rating and is based on best available information.

The Kerala-based ANL, incorporated in 1989 under the directorship of Mr. P.J. Kunjachan and his brother in law, Mr. Benny Antony is engaged in the manufacture of herbal spices' extracts and formulations at Kerala and Tamil Nadu. Currently, curcumin extract from turmeric contributes to over 67 per cent of its overall revenue. The other extracts are boswellia, mustard oil, garcinia, omega fish oil, pomegranate among others. The company has a Research and Development unit in Kerala.

Non-cooperation by the issuer/borrower

Acuite 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 due date.

Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with 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 Acuite's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacture Entities - <https://www.acuite.in/view-rating-criteria-59.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). Acuite endeavored to gather information about the entity / industry from the public domain. Therefore, Acuite 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

None

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
05-Feb-2019	Term Loan	Long Term	13.50	ACUITE A /Stable (Reaffirmed)
	Cash Credit	Long Term	0.80	ACUITE A /Stable (Reaffirmed)
	Packing Credit	Short Term	7.00	ACUITE A1 (Reaffirmed)
	Post Shipment Credit	Short Term	0.20	ACUITE A1 (Reaffirmed)
	Packing Credit	Short Term	25.00	ACUITE A1 (Reaffirmed)
	Packing Credit	Short Term	3.50	ACUITE A1 (Assigned)
15-Nov-2017	Term Loan	Long Term	17.00	ACUITE A /Stable (Assigned)
	Cash Credit	Long Term	0.80	ACUITE A /Stable (Assigned)
	Packing Credit	Short Term	7.00	ACUITE A1 (Assigned)
	Post Shipment Credit	Short Term	0.20	ACUITE A1 (Assigned)
	Packing Credit	Short Term	25.00	ACUITE A1 (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Term Loan	Not Applicable	Not Applicable	Not Applicable	13.50	ACUITE BBB+ (Downgraded from ACUITE A /Stable) Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	0.80	ACUITE BBB+ (Downgraded from ACUITE A /Stable) Issuer not co-operating*
Packing Credit	Not Applicable	Not Applicable	Not Applicable	7.00	ACUITE A2 (Downgraded from ACUITE A1) Issuer not co-operating*
Post Shipment Credit	Not Applicable	Not Applicable	Not Applicable	0.20	ACUITE A2 (Downgraded from ACUITE A1) Issuer not co-operating*
Packing Credit	Not Applicable	Not Applicable	Not Applicable	25.00	ACUITE A2 (Downgraded from ACUITE A1) Issuer not co-operating*
Packing Credit	Not Applicable	Not Applicable	Not Applicable	3.50	ACUITE A2 (Downgraded from ACUITE A1) Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
Aditya Gupta Head - Corporate and Infrastructure Sector Ratings Tel: 022-49294041 aditya.gupta@acuite.in Grishma Muni Analyst - Rating Operations Tel: 02249294035 grishma.muni@acuite.in	Varsha Bist Manager - Rating Desk Tel: 022-49294011 rating.desk@acuite.in

About Acuité Ratings & Research:

Acuité Ratings & Research Limited (erstwhile SMERA Ratings Limited) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

Disclaimer: An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuité ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuité ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité.