

Press Release

Arjuna Natural Limited (Erstwhile Arjuna Natural Extracts Limited)

September 27, 2021



Rating Update

Total Bank Facilities Rated*	Rs.50.00 Cr.#
Long Term Rating	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
Short Term Rating	ACUITE A4+ 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 BB**' (read as **ACUITE B**) from '**ACUITE BB+**' (read as **ACUITE double B plus**) and reviewed the short term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs.50.00 Cr bank facilities of Arjuna Natural Limited (ANL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

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 the 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 continues to be 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>
- Manufacturing 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.

Liquidity Indicators

"No information provided by the issuer / available for Acuite to comment upon."

Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

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)

None

Any other information

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

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
01st July 20	Term Loan	Long Term	13.50	ACUITE BB+ (Downgraded from ACUITE BBB+) Issuer not co-operating*
	Cash Credit	Long Term	0.80	ACUITE BB+ (Downgraded from ACUITE BBB+) Issuer not co-operating*
	Packing Credit	Short Term	7.00	ACUITE A4+ (Downgraded from ACUITE A2) Issuer not co-operating*
	Post Shipment Credit	Short Term	0.20	ACUITE A4+ (Downgraded from ACUITE A2) Issuer not co-operating*
	Packing Credit	Short Term	25.00	ACUITE A4+ (Downgraded from ACUITE A2) Issuer not co-operating*
	Packing Credit	Short Term	3.50	ACUITE A4+ (Downgraded from ACUITE A2) Issuer not co-operating*
15th Apr 20	Term Loan	Long Term	13.00	ACUITE BBB+ (Indicative)
	Cash Credit	Long Term	0.80	ACUITE BBB+ (Indicative)
	Packing Credit	Short Term	7.00	ACUITE A2 (Indicative)
	Post Shipment Credit	Short Term	0.20	ACUITE A2 (Indicative)
	Packing Credit	Short Term	25.00	ACUITE A2 (Indicative)
	Packing Credit	Short Term	3.50	ACUITE A2 (Indicative)
5th Feb 19	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)

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

#Annexure – Details of instruments rated

Lender Name	Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Canara Bank	Term Loan	Not Available	Not Available	Not Available	13.50	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
Canara Bank	Cash Credit	Not Applicable	Not Applicable	Not Applicable	0.80	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
Canara Bank	Packing Credit	Not Applicable	Not Applicable	Not Applicable	7.00	ACUITE A4+ Issuer not co-operating*
Canara Bank	Post Shipment Credit	Not Applicable	Not Applicable	Not Applicable	0.20	ACUITE A4+ Issuer not co-operating*
Canara Bank	Packing Credit	Not Applicable	Not Applicable	Not Applicable	25.00	ACUITE A4+ Issuer not co-operating*
Canara Bank	Packing Credit	Not Applicable	Not Applicable	Not Applicable	3.50	ACUITE A4+ Issuer not co-operating*

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

Contacts

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About Acuité Ratings & Research:

Acuité Ratings & Research 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.

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