

Press Release

Best Agrolife Limited

July 19, 2022



Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	37.00	ACUITE BB+ Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	37.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE BBB**' (read as **ACUITE triple B**) on the Rs. 37.00 Cr bank facilities of Best Agrolife Limited.

The rating downgrade is driven by the absence of the crucial information required for the case. The issuer / borrower failed to submit such information before due date. This rating is flagged as issuer not cooperating.

About the Company

Best Agrolife Limited is a public limited listed company incorporated in 1992, promoted by Mr. Vimal Alawadhi, Mr. Braj Kishore Prasad among the others. The company is engaged in the trading of agrochemical products such as insecticides, pesticides, herbicides, fungicides and plant nutrients. Company's crop protection chemical products are sold through distributors and comarketing alliances with leading Indian companies throughout the country. They have distribution network with more than 3000 distributors and direct dealers and over 1500 retail points across the country with 14 stock points. Company also sell the products through their own brand name 'Best'.

About the Group

Best Agrolife Group is a Delhi based group which is engaged in the manufacturing and trading of agrochemical products such as insecticides, pesticides, herbicides, fungicides and plant nutrients. The group currently comprises of two entities i.e. Best Agrolife Limited and Best Crop Science Private Limited.

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.

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 endeavored 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.

Rating Sensitivities

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

Material Covenants

None

Liquidity Position

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

Outlook

Not Applicable.

Key Financials

Particulars	Unit	FY 20 (Actual)	FY 19 (Actual)
Operating Income	Rs. Cr.	690.66	663.01
PAT	Rs. Cr.	8.26	4.69
PAT Margin	(%)	1.20	0.71
Total Debt/Tangible Net Worth	Times	0.37	0.52
PBDIT/Interest	Times	3.24	2.52

Key Financials:

The financials for Best Agrolife Limited till FY22 was available in the public domain however the financials for the other entity was not made available by the issuer and hence the consolidated financials could not be drawn and presented.

Status of non-cooperation with previous CRA

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.

Applicable Criteria

- Complexity Level Of Financial Instruments: <https://www.acuite.in/view-rating-criteria-55.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
27 Apr 2021	Cash Credit	Long Term	37.00	ACUITE BBB Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Punjab National Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	37.00	ACUITE BB+ Downgraded Issuer not co-operating*

Contacts

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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