



## Press Release

**Arjan Impex Private Limited**

**October 19<sup>th</sup>, 2022**

### **Ratings**

<b>Sl. No.</b>	<b>Instrument/ Facility</b>	<b>Amount (Rs. Crore)</b>	<b>Ratings</b>	<b>Previous Ratings</b>	<b>Rating Action</b>	<b><a href="#">Complexity Indicator</a></b>
1.	Long Term Bank Facilities- Term Loan	4.14	IVR BB+/ Issuer Not Cooperating (IVR Double B Plus with Issuer Not Cooperating)	IVR BBB-/ Stable (IVR Triple B Minus with Stable Outlook)	Downgraded and moved to Issuer Not Cooperating	Simple
2.	Short Term Bank Facilities	60.00	IVR A4+ Issuer Not Cooperating (IVR A Four Plus with Issuer Not Cooperating)	IVR A3 (IVR A Three)	Downgraded and moved to Issuer Not Cooperating	Simple
	<b>Total</b>	<b>64.14</b> <b>(Sixty four</b> <b>crores and</b> <b>fourteen</b> <b>lacs only)</b>				

**Details of Facilities are in Annexure 1.**

### **Detailed Rationale**

The rating downgrade is because of lack of adequate information regarding **Arjan Impex Private Limited** and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade.

### **Non-cooperation by Issuer**

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide E-mail communications dated 25th August 2022, 12th October 2022, and 17th October 2022, and concurrently over several



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phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted all the essential information and documents. Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information.

Accordingly, the long-term rating for the bank loan facilities of **Arjan Impex Private Limited** aggregating to **Rs. 64.14** crore shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as **“IVR BB+’ ISSUER NOT COOPERATING’ and ‘IVR A4+; ISSUER NOT COOPERATING’; Based on best available information”**.

Accordingly, the lenders, investors and other users of this rating are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the company.

**Analytical Approach:** Standalone Approach

**Applicable Criteria:**

[Rating Methodology for Manufacturing Companies](#)

[Financial Ratios & Interpretation \(Non-financial Sector\)](#)

Guidelines on what constitutes Non-Cooperation by clients

### **About the Company**

Arjan Impex Private Limited was incorporated in 1996, promoted by Mr B C Kohli, and is currently managed by his son, Mr. Inderjeev Singh Kohli. Based in New Delhi, the company operates in two segments: pet ware and hotel ware. It manufactures stainless steel utensils, soft products for pets, and gastronome pans (chafing dishes).

### **Financials (Standalone):**

For the year ended*	(Rs. crore)	
	31-03-2020	31-03-2021
	Audited	Provisional
Total Operating Income	151.00	180.77
EBITDA	12.88	14.55
PAT	4.66	5.88
Total Debt	52.15	74.70
Adjusted Tangible Net worth	41.47	47.90
EBITDA Margin (%)	8.53	8.05



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For the year ended*	31-03-2020	31-03-2021
PAT Margin (%)	3.08	3.25
Overall Gearing Ratio (x)	1.26	1.56

\* Classification as per Infomerics' standards

**Status of non-cooperation with previous CRA:** Issuer was moved to non-co-operation category by CRISIL vide press release dated July 04, 2019, due to non-availability of information.

**Any other information:** Nil

**Rating History for last three years:**

Sr. No.	Name of Instrument /Facilities	Current Rating (Year 2022-23)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating (19 <sup>th</sup> October 2022)	Date(s) & Rating(s) assigned in 2021-22 (11 August 2021)	Date(s) & Rating(s) assigned in 2020-21 (May 13, 2020)	Date(s) & Rating(s) assigned in 2019-20
1.	Term Loan	Long Term	4.14	IVR BB+/ Issuer Not Cooperating (IVR Double B Plus with Issuer Not Cooperating)	IVR BBB-/ Stable	IVR BBB-/Credit watch with developing implications	-
2.	EPC/PCFC	Short Term	60.00	IVR A4+ Issuer Not Cooperating (IVR A Four Plus with Issuer Not Cooperating)	IVR A3	IVR A3 Under credit watch with developing implications	-

**Note on complexity levels of the rated instrument:** Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at [www.infomerics.com](http://www.infomerics.com).

**Name and Contact Details of the Rating Analyst:**

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**About Infomerics:**



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Infomerics was founded in the year 1986 by a team of highly experienced and knowledgeable finance professionals. Subsequently, after obtaining Securities Exchange Board of India registration and RBI accreditation and the activities of the company are extended to External Credit Assessment Institution (ECAI). Adhering to best International Practices and maintaining high degree of ethics, the team of knowledgeable analytical professionals deliver credible evaluation of rating. Infomerics evaluates wide range of debt instruments which helps corporates open horizons to raise capital and provides investors enlightened investment opportunities. The transparent, robust and credible rating has gained the confidence of Investors and Banks. Infomerics has a pan India presence with Head Office in Delhi, branches in major cities and representatives in several locations. For more information visit [www.infomerics.com](http://www.infomerics.com)

**Disclaimer:** Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.



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### Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Bank Facilities – Term Loan	-	-	-	4.14	IVR BB+/ Issuer Not Cooperating (IVR Double B Plus with Issuer Not Cooperating)
Short Term Non-Fund- EPC/PCFC	-	-	-	60.00	IVR A4+ Issuer Not Cooperating (IVR A Four Plus with Issuer Not Cooperating)

**Annexure 2: List of companies considered for consolidated analysis:** Not Applicable

**Annexure 3: Facility wise lender details**

<https://www.infomerics.com/admin/prfiles/Len-Arjan-Impex-oct22.pdf>

**Annexure 4: Detailed explanation of covenants of the rated instrument/facilities:** Not Applicable

**Note on complexity levels of the rated instrument:** Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at [www.infomerics.com](http://www.infomerics.com).