

A-1 Chips and Exports India Private Limited

February 02, 2023

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	5.02	CARE B; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	0.27	CARE A4; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

*Issuer did not cooperate; Based on best available information

Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated November 25, 2021, placed the rating(s) of A-1 Chips and Exports India Private Limited (ACEIPL) under the 'issuer non-cooperating' category as ACEIPL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. ACEIPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated October 11, 2022, October 21, 2022, October 31, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

Detailed description of the key rating drivers

Please refer to PR dated [November 25, 2021](#)

Analytical approach: Standalone

Applicable criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

About the Company

A1 Chips and Exports (India) Private Limited (ACEIPL) was initially established in the name of A1 Chips, commenced as a partnership concern in 1983 by Mr. S. Rajan, Mr. S. Damodharan and Mr. S. Murali for manufacturing and retailing of chips and snacks variety in Coimbatore, Tamil Nadu. In order to venture into export in 1999, the promoters started separate concern, A1 Exports as a partnership concern. In 2007, both the concerns were merged and incorporated as a private limited company in the name of ACEIPL. ACEIPL is engaged in the manufacturing of around 430 variety of snacks which includes banana chips, potato chips, tapioca chips, mixtures etc. and around 65 variety of sweets in its state of art facility (spread over 35,000 sq. ft.) located in Pacchapalayam, Kalampalayam post, Perur. The facility is housed with modern kitchen equipment for mass production and obtained ISO standard certification. The plant has a bio gas plant with a power generation capacity of 40 kVA (kilovolt-amps) which produce 8-10 hours of power per day required for plant 3 from vegetable waste. ACEIPL operates through 16 branches, of which 12 branches within Coimbatore, 2 branches at Palakkad and one each at Tirupur and Pollachi to sell their products under the brand name "A1 CHIPS". ACEIPL also exports its products to United Arab Emirates, Doha, Singapore, Australia, South Africa, USA etc. ACEIPL also supplies its products on wholesale all over India through ~75 distributors. In April 2014, ACEIPL started a restaurant under the name of "Snack Street" in R.S. Puram, Coimbatore. ACEIPL operates through two shifts of 10 hours per day. ACEIPL employs nearly 350 workers both at the factory and retail outlets.

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Brief Financials (₹ crore)	March 31, 2021 (A)	March 31, 2022 (A)	9MFY23 (Prov.)
Total operating income	42.04	44.65	NA
PBILDT	3.48	2.91	NA
PAT	1.24	1.40	NA
Overall gearing (times)	0.32	0.32	NA
Interest coverage (times)	9.51	7.81	NA

A: Audited; Prov.: Provisional; NA: Not Available

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Covenants of the rated instruments/facilities: Detailed explanation of the covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of the various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	1.75	CARE B; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	June 2021	3.27	CARE B; ISSUER NOT COOPERATING*
Fund-based - ST-Working Capital Limits		-	-	-	0.25	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-Credit Exposure Limit		-	-	-	0.02	CARE A4; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	3.27	CARE B; ISSUER NOT COOPERATING*	-	1)CARE B; ISSUER NOT COOPERATING* (25-Nov-21)	1)CARE B+; ISSUER NOT COOPERATING* (04-Dec-20)	1)CARE BB-; ISSUER NOT COOPERATING* (10-Sep-19)
2	Fund-based - LT-Cash Credit	LT	1.75	CARE B; ISSUER NOT COOPERATING*	-	1)CARE B; ISSUER NOT COOPERATING* (25-Nov-21)	1)CARE B+; ISSUER NOT COOPERATING* (04-Dec-20)	1)CARE BB-; ISSUER NOT COOPERATING* (10-Sep-19)
3	Fund-based - ST-Working Capital Limits	ST	0.25	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (25-Nov-21)	1)CARE A4; ISSUER NOT COOPERATING* (04-Dec-20)	1)CARE A4; ISSUER NOT COOPERATING* (10-Sep-19)
4	Non-fund-based - ST-Credit Exposure Limit	ST	0.02	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (25-Nov-21)	1)CARE A4; ISSUER NOT COOPERATING* (04-Dec-20)	1)CARE A4; ISSUER NOT COOPERATING* (10-Sep-19)

*Issuer did not cooperate; Based on best available information

Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities: Not Applicable**Annexure-4: Complexity level of the various instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Fund-based - ST-Working Capital Limits	Simple
4	Non-fund-based - ST-Credit Exposure Limit	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instrument: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About us:

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