

Ashirvad Agro Processors

May 10, 2022

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	11.00	CARE B; Stable; ISSUER NOT COOPERATING* (Single B; Outlook: Stable ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B+; Stable; (Single B Plus; Outlook: Stable)
Total Bank Facilities	11.00 (Rs. Eleven Crore Only)		

Details of facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated February 25, 2021, placed the rating(s) of Ashirvad Agro Processors (AAP) under the 'issuer non-cooperating' category as AAP 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. AAP continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated January 11, 2022, January 21, 2022 and January 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).

The ratings assigned to the bank facilities of AAP have been revised on account of non-availability of requisite information.

Detailed description of the key rating drivers

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

Analytical approach: Standalone

Applicable Criteria

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

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

About the Firm

Ashirvad Agro Processors (AAP) was established in the year 2000 as proprietorship firm by Mr. K. Sridhar Nayak. The firm is engaged in trading and processing of cashew nuts and cashew kernels. The firm sells both raw cashew nuts and processed cashew kernels based on market requirements and volatility of prices. The firm has installed capacity of 10,000 kilograms per day at Birau, Mangalore, Karnataka. The process involves steam roasting, shell cutting, drying, sorting, peeling and grading. The firm outsources the cutting, peeling and grading processes on job work basis. The firm majorly procures raw material (raw cashew nuts) from African countries like Benin, Togo, Ivory Coast, Ghana, Burkina Faso, Tanzania, Indonesia etc. The firm imports raw cashew nuts owing to better quality and relatively lower prices as compared to the domestic market. The firm sells the cashew kernels to wholesalers located all over India majorly in the states Karnataka (around 3 CARE Ratings Limited Press Release 50%), Gujarat (around 20%), Rajasthan (around 20%) and others (around 10%). The firm also generates income from sale of by-products like cashew shells, cashew husk and rejections.

Brief Financials (Rs. crore)	FY20 (A)	FY21(A)	FY22 (Prov.)
Total operating income	NA	NA	NA
PBILDT	NA	NA	NA
PAT	NA	NA	NA
Overall gearing (times)	NA	NA	NA
Interest Coverage (times)	NA	NA	NA

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

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

Status of non-cooperation with previous CRA: Acuite (SMERA) vide its press release dated July 29, 2021 has continued the rating of AAP to the 'Issuer Not Cooperating' category on account of its inability to carry out a review in the absence of requisite information from the firm.

Any other information: Not Applicable

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

Covenants of rated instrument/facility: Annexure -3

Complexity level of various instruments rated for this firm: Annexure -4

Annexure-1: Details of Instruments / Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	11.00	CARE B; Stable; 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 (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2022-2023	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020
1	Fund-based - LT-Cash Credit	LT	11.00	CARE B; Stable; ISSUER NOT COOPERATING *	-	-	1)CARE B+; Stable; ISSUER NOT COOPERATING * (25-Feb-21)	1)CARE BB-; Stable (06-Mar-20)

*Issuer did not cooperate; Based on best available information

Annexure-3: Detailed explanation of covenants of the rated instrument / facilities: Not Applicable

Annexure 4: Complexity level of various instruments rated for this firm

Sr. No	Name of instrument	Complexity level
1	Fund-based - LT-Cash Credit	Simple

Annexure 5: Bank Lender Details for this Firm

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

Note on complexity levels of the rated instrument: CARE 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 CARE Ratings:

Established in 1993, CARE Ratings Ltd is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India (SEBI), it has also been acknowledged as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). With an equitable position in the Indian capital market, CARE Ratings Limited provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions backed by knowledge and assessment provided by the company.

With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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