

## Anik Industries Limited

November 29, 2023

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	-	-	Reaffirmed at CARE D and Withdrawn
Short Term Bank Facilities	-	-	Reaffirmed at CARE D and Withdrawn

<sup>1</sup>Details of instruments/facilities in Annexure-1.

### Rationale and key rating drivers

CARE Ratings Ltd. has reaffirmed and withdrawn the outstanding ratings of CARE D assigned to the bank facilities of Anik Industries Limited (AIL) with immediate effect.

The above action has been taken at the request of Anik Industries Limited along with 'No Objection Certificate' and 'No Dues Certificate' received from the banks that have extended the facilities rated by CARE.

The rating of the firm takes into consideration instances of delays in servicing of its debt obligations, prior to its withdrawal.

**Analytical approach:** Standalone

### Detailed description of the key rating drivers:

#### Key weaknesses

**Delays in debt servicing:** As per AIL's annual report for FY23, the company had defaulted in repayments of its debt obligations. Subsequently, all the rated bank facilities of the entity have been closed (except for facilities backed by 100% margin).

**Assumptions/Covenants:** Not Applicable

**Environment, social, and governance (ESG) risks:** Not Applicable

### Applicable criteria

[Policy on default recognition](#)

[Financial Ratios – Non financial Sector](#)

[Short Term Instruments](#)

[Wholesale Trading](#)

[Policy on Withdrawal of Ratings](#)

### About the company and industry

#### Industry classification

Macro Economic Indicator	Sector	Industry	Basic Industry
Services	Services	Commercial Services & Supplies	Trading & Distributors

Incorporated in 1976, Anik Industries Limited (AIL) is engaged in commodity trading and real-estate development, after sale of its dairy business in September 2016. AIL trades in agro commodities such as edible oils, soya bean and wheat. It also engages in trading of other commodities such as coal and imports crude palm oil and sells the same in bulk after getting it refined through third party refineries.

Brief Financials (₹ crore)	March 31, 2022 (A)	March 31, 2023 (A)	H1FY24 (Prov.)
Total operating income	243.60	118.10	32.92
PBILDT	2.53	5.88	5.00
PAT	10.03	5.07	3.20
Overall gearing (times)	0.15	0.11	0.03
Interest coverage (times)	0.37	1.64	5.49

A: Audited UA: Unaudited; NA: Not Available; Note: 'the above results are latest financial results available'

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

**Status of non-cooperation with previous CRA:** Brickwork, vide its press release dated June 22, 2023, continued to place the ratings of AIL under issuer non-cooperating category in absence of requisite information from the company to carry out a review.

**Any other information:** Not Applicable

**Rating history for last three years:** Please refer Annexure-2

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

**Complexity level of 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-Long Term		-	-	-	0.00	Withdrawn
Non-fund-based-Short Term		-	-	-	0.00	Withdrawn

#### Annexure-2: Rating history for the 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 2023-2024	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
1	Term Loan-Long Term	LT	-	-	-	1)Withdrawn (01-Sep-22)	1)CARE D; ISSUER NOT COOPERATING* (21-Jul-21)	1)CARE D; ISSUER NOT COOPERATING* (19-Jun-20)
2	Fund-based-Long Term	LT	-	-	-	1)CARE D (01-Sep-22)	1)CARE D; ISSUER NOT COOPERATING* (21-Jul-21)	1)CARE D; ISSUER NOT COOPERATING* (19-Jun-20)
3	Non-fund-based-Short Term	ST	-	-	-	1)CARE D (01-Sep-22)	1)CARE D; ISSUER NOT COOPERATING* (21-Jul-21)	1)CARE D; ISSUER NOT COOPERATING* (19-Jun-20)
4	Fund-based - ST-Working Capital Demand loan	ST	-	-	-	1)Withdrawn (01-Sep-22)	1)CARE D; ISSUER NOT COOPERATING* (21-Jul-21)	1)CARE D; ISSUER NOT COOPERATING* (19-Jun-20)

\*Long term/Short term.

**Annexure-3: Detailed explanation of 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-Long Term	Simple
2	Non-fund-based-Short Term	Simple

## Annexure-5: Lender details

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

**Note on the complexity levels of the rated instruments:** 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](mailto:care@careedge.in) for any clarifications.

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### About us:

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### Disclaimer:

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