

Ashirvad Agro Processors

July 23, 2024

| Facilities/Instruments | Amount (₹ crore) | Rating ¹ | Rating Action |
|---------------------------|------------------|--|--|
| Long Term Bank Facilities | 11.00 | CARE B-; Stable; 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 and key rating drivers

CARE Ratings Ltd. had, vide its press release dated May 30, 2023, 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. AAP continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated April 14, 2024, April 24, 2024, May 04, 2024.

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).

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers:

Please refer to PR dated [May 30, 2023](#)

Applicable criteria

[CARE Ratings' criteria on information adequacy risk and issuer non-cooperation](#)

[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 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 (₹ crore) | March 31, 2018 (A) | March 31, 2019 (A) |
|----------------------------|--------------------|--------------------|
| Total operating income | 50.39 | 49.22 |
| PBILDT | 2.02 | 1.60 |
| PAT | 0.74 | 0.52 |
| Overall gearing (times) | 4.34 | 1.13 |
| Interest coverage (times) | 2.39 | 2.09 |

A: Audited; Note: 'the above results are latest financial results available'

¹Complete 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) has continued the rating assigned to the bank facilities of AAP into Issuer Not Cooperating category vide press release dated January 22, 2024 on account of its inability to carry out a review in the absence of the 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: 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 - LT-Cash Credit | | - | - | - | 11.00 | CARE B-; Stable; ISSUER NOT COOPERATING* |

*Issuer did not cooperate; Based on best available information

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 2024-2025 | 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 |
| 1 | Fund-based - LT-Cash Credit | LT | 11.00 | CARE B-; Stable; ISSUER NOT COOPERATING* | - | 1)CARE B-; Stable; ISSUER NOT COOPERATING* (30-May-23) | 1)CARE B; Stable; ISSUER NOT COOPERATING* (10-May-22) | - |

*Issuer did not cooperate; Based on best available information

LT: Long term

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 |

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.

Contact us

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About us:

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Disclaimer:

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