

Arnav Agrotech

December 16, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	0.80	CARE B-; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	4.50	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 and key rating drivers

CARE Ratings Ltd. had, vide its press release dated November 08, 2023, placed the rating(s) of Arnav Agrotech (AA) under the 'issuer non-cooperating' category as AA had failed to provide information for monitoring of the rating as agreed to in its Rating Agreement. AA continues to be non-cooperative despite repeated requests for submission of information through e-mails dated September 23, 2024, October 03, 2024, October 13, 2024 among others.

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 [November 08, 2023](#)

Applicable criteria

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

[Policy on Default Recognition](#)

[Criteria on Assigning 'Outlook' or 'Rating Watch' to Credit Ratings](#)

About the firm

Arnav Agrotech (AA) was established as a partnership firm in 2015. The firm is engaged in milling of non-basmati rice on jobwork basis for Food Corporation of India. Further, the firm also sells rice bran, husk, paddy and broken rice in the open market (which contributes around 32% of total turnover of FY20) and also engaged in trading of rice bran (which contributes around 43% of total turnover of FY20). The milling unit of Arnav Agrotech is located at Madwa gram, DistJanjgir- Champa, Chhattisgarh with processing capacity of 1,20,000 quintals per annum (QPA). The firm is promoted by Chhattisgarh based Didwania family. Currently, the firm is in process to set up a new parboiling unit. The cost of that unit is estimated to be Rs.2.00 crore which is to be funded through partners' fund of Rs.0.50 crore and term loan from bank of Rs.1.50 crore. The financial closure of the project is yet to be achieved. The entity has already spent around Rs.1.00 crore on the aforesaid project till August 19, 2020, funded entirely through partners' contribution and the same is expected to be completed by November 2020 and commercial operation was proposed to start from December 2020. Mr. Sailesh Didwania (aged, 37 years), having more than a decade of business experience looks after the day to day operations of the firm along with other partners Mr. Saurabh Didwania, Mrs. Neha Didwania and Mrs. Mamta Didwania and a team of experienced professionals who have rich experience in the similar line of business.

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

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

Covenants of rated instrument / facility: 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 and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	0.50	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	April 2021	0.30	CARE B-; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	4.50	CARE A4; ISSUER NOT COOPERATING*

*Issuer did not cooperate; based on best available information.

Annexure-2: Rating history for 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	0.50	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (08-Nov-23)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (18-Oct-22)	1)CARE B; Stable; ISSUER NOT COOPERATING* (08-Sep-21)
2	Fund-based - LT-Term Loan	LT	0.30	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (08-Nov-23)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (18-Oct-22)	1)CARE B; Stable; ISSUER NOT COOPERATING* (08-Sep-21)
3	Non-fund-based - ST-Bank Guarantee	ST	4.50	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (08-Nov-23)	1)CARE A4; ISSUER NOT COOPERATING* (18-Oct-22)	1)CARE A4; ISSUER NOT COOPERATING* (08-Sep-21)

*Issuer did not cooperate; based on best available information.

LT: Long term; ST: Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Complexity level of 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	Non-fund-based - ST-Bank Guarantee	Simple

Annexure-5: Lender details

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

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

Contact us

Media Contact Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in	Analytical Contacts Shachee Nakul Vyas Assistant Director CARE Ratings Limited Phone: 079-40265665 E-mail: shachee.tripathi@careedge.in
Relationship Contact Ankur Sachdeva Senior Director CARE Ratings Limited Phone: 912267543444 E-mail: Ankur.sachdeva@careedge.in	Jekin Shah Analyst CARE Ratings Limited Phone: 079-40265615 E-mail: Jekin.Shah@careedge.in
	Bhumika Baridun Associate Analyst CARE Ratings Limited E-mail: Bhumika.baridun@careedge.in

About us:

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Disclaimer:

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