

Pavan Agro Foods

December 12, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	5.48	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 October 27, 2023, placed the rating(s) of Pavan Agro Foods (PAF) under the 'issuer non-cooperating' category as PAF had failed to provide information for monitoring of the rating as agreed to in its Rating Agreement. PAF continues to be non-cooperative despite repeated requests for submission of information through e-mails dated September 11, 2024, September 21, 2024 and October 01, 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 [October 27, 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

Pavan Agro Foods (PAF) was established on April 24, 2017 by Mrs. K. Sri Lakshmi & Mrs. G. Subhadramma as a Partnership firm. The firm has proposed to set up Dal Mill with capacity of 2000 tonne per annum. The total cost of setting up facility (decortivating pulses) is Rs.6.46 core which is being funded through bank term loan to the extent of Rs 4.48 crore and remaining through partners' fund of around Rs.1.98 crore. The firm has also applied for the working capital facility of Rs.1 crore with the bank which is under appraisal. The firm is expected to decorticate (de-hull) pulses such as Bengal gram & Toor dal in the proposed facility which is under construction. The firm proposes to install machineries that will cater the end to end process right from stripping the skin, cleaning, grading, splitting, grinding & packing of pulses. The end product will be packed in bags upto 50 kgs and will be supplied to local wholesale dealers. The commercial operations of the firm are expected to start from December 2018. As on November 30, 2017, the total cost incurred by the firm was Rs. 0.45 crore which is approximately 7% of the total project cost funded by promoters' capital. Bengal gram seeds & Toor dal seeds are the main raw material which would be procured from the farmers in and around Guntakal, Andhra Pradesh.

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Annexure-2

Covenants of rated instrument/facility: Annexure-3

Complexity level of various instruments rated: Annexure 4

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

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		-	-	-	1.00	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	-	4.48	CARE B-; Stable; 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-Term Loan	LT	4.48	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (27-Oct-23)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (17-Oct-22)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (05-Oct-21)
2	Fund-based - LT-Cash Credit	LT	1.00	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (27-Oct-23)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (17-Oct-22)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (05-Oct-21)

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

LT: Long 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

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 for any clarifications.

Contact us

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About us:

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