

ACARA BIOHERB PVT LTD

Brickwork Ratings Downgrades the ratings for short term facilities of Rs. 8.00 Crs of Acara Bioherb Pvt Ltd based on best available information, as the issuer did not cooperate.

Particulars

Facilities	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (Dec, 2015)	Present
Pre shipment credit (EPC)	2.50	2.50	Short Term	BWR A4+	BWR D Issuer Non Cooperation* (Downgrade)
Post shipment credit (FUBD)	1.50	1.50			
Pre-shipment credit in foreign currency (PCFC)	4.00	4.00			
Total	8.00	8.00	INR Eight Crores Only		

Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

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

Details of Bank facilities is provided in Annexure -I

RATING ACTION/ NON-COOPERATION

Brickwork Ratings downgrades the ratings from BWR A4+ to BWR D for the short term facilities of Rs. 8.00 Crs of Acara Bioherb Pvt Ltd; Issuer Non Cooperation, based on best available information.



BWR had initially rated the bank loan facilities of Acara Bioherb Pvt Ltd on 4th December 2015 with rating assigned as BWR A4+ stable and the rating was due for a review during December 2016. The client did not share the information during 2016.

BWR further took up with the issuer to provide required complete information over emails and telephone calls. Despite the best efforts of BWR to get at least the minimum required information for a review, the company has not provided the same. In the absence of adequate information from the issuer, BWR is unable to assess the issuer's financial performance and its ability to service its debt and maintain a valid rating. Hence on account of inadequate information and lack of management cooperation and with the available information on public domain, BWR recommends downgrading the rating and categorizing under Issuer Non-Cooperation. The NDS of last 12 months was also not submitted by them.

LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, noncooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress.

ABOUT THE COMPANY

ACARA BIOHERB PRIVATE LIMITED (ABPL) incorporated in 2012, is engaged in manufacturing pure certified organic extracts with over an extensive list of Ayurvedic herbs catering to over 30 countries across the globe to serve the dietary supplement, food supplement, sports nutritional supplement, food & beverages, nutraceutical & pharmaceutical industry. Acara Bioherb Private Ltd (ABPL) was incorporated in 2012 at Bangalore, Karnataka. The company is engaged in manufacturing and exports of an extensive range of Herbal Cosmetic Products such as hair Creams, hair color, hair conditioning creams, hair serum, skin creams, fragrances and herbal supplements, under the brand name ACARA. The company's products are manufactured on contract manufacturing basis, presently by Aero Pharma Private Ltd, Mumbai. ABPL's products are exported to U.A.E and U.K. U.A.E is the major consumer of these herbal products.

**NON-COOPERATION WITH PREVIOUS RATING AGENCY (IF ANY): CARE D:
Issuer not cooperating on 21 April, 2020.**

RATING HISTORY FOR THE PREVIOUS THREE YEARS [including withdrawal and suspended]

Facilities	Current Rating (2020)			FY19	FY18	FY17
	Tenure	Amount (Rs. Cr)	Rating			
Pre shipment Credit (EPC)	Short Term	2.50	BWR D Issuer Non Cooperation (Downgrade)	---	---	-
Post shipment Credit (FUBD)		1.50				
Pre-shipment credit in foreign currency (PCFC)		4.00				
Total		8.00				

COMPLEXITY LEVELS OF THE INSTRUMENTS

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

- **General Criteria**
- **Approach to Financial Ratios**
- **Manufacturing Companies**

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Acara Bioherb Pvt Ltd

ANNEXURE I

Details of Bank Facilities rated by BWR

Sl. No.	Name of the Bank	Type of Facilities	Short Term [₹ Cr]	Total [₹ Cr]
1	State Bank of India(State Bank of Hyderabad)	Pre shipment Credit (EPC)	2.50	2.50
2		Post shipment Credit (FUBD)	1.50	1.50
3		Pre-shipment credit in foreign currency (PCFC)	4.00	4.00
	Total			8.00(Eight Crores Only)

For print and digital media The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.



About Brickwork Ratings : Brickwork Ratings (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by Reserve Bank of India [RBI], offers credit ratings of Bank Loan, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has rated over 11,400 medium and large corporates and financial institutions' instruments. BWR has also rated NGOs, Educational Institutions, Hospitals, Real Estate Developers, Urban Local Bodies and Municipal Corporations. BWR has Canara Bank, a leading public sector bank, as one of the promoters and strategic partners. BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations.

DISCLAIMER Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented "as is" without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.