

RATING RATIONALE

13 March 2021

Ajanta Industries

Brickwork Ratings reaffirms the Ratings for the Bank Loan Facilities ₹ 18.79 Crores of Ajanta Industries based on best available information, as the issuer did not cooperate.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (27th, January, 2020)	Present
Fund Based	10.04	10.04	Long Term	BWR D	BWR D ; Issuer Not Cooperating (Reaffirmation)
	8.75	8.75	Short Term	BWR D	BWR D ; Issuer Not Cooperating (Reaffirmation)
Total	18.79	18.79	INR Eighteen Crores & Seventy Nine Lakhs Only		

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

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

RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

The rating of Long Term & Short Term Bank Loan Facilities of the company have been reaffirmed at BWR D, based on the best available information, under ‘Issuer Not Cooperating’ category because the company has not provided any information/papers and banker has not responded to our various communications regarding conduct of account.

The rating was due for a review in January, 2021. BWR took up with the company to provide required information for conducting a review of the ratings through emails and messages dated December 31, 2020, January 11, 29, March 5 & 9 2021 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. Due to the continued lack of management cooperation and in the absence of adequate information from the Company, BWR is unable to assess the Company’s ability to service its debt and maintain a valid rating. Hence, based on best available information, Brickwork Ratings have been downgraded and migrated the rating to the ISSUER NOT COOPERATING* category.

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.

KEY FINANCIAL INDICATORS (in ₹ Cr) [As Available with BWR]

Key Parameters	Units	FY 19	FY 18
Result Type		Audited	Audited
Operating Revenue	₹ Cr	61.72	49.98
EBITDA	₹ Cr	3.13	3.54
PAT	₹ Cr	0.45	1.01
Tangible Net Worth	₹ Cr	4.80	5.54
Total Debt/Tangible Net Worth	Times	4.76	3.72
Current Ratio	Times	1.39	1.22

COMPANY PROFILE

Based in Ponda (Goa), Ajanta Industries is managed by its proprietor Mr. A Surendra Kamath. The Entity, established in 1982, presently has its cashew processing facility at Ponda. The installed capacity of this facility stood at 5,500 MT after completion of the expansion project in FY17. The Entity is engaged in processing and supply (domestic as well as export) of certified organic cashew kernels. The processing of cashews involves activities such as removal of shell, steam roasting, mechanised peeling and grading, packing and inspection. Ajanta Industries sells cashew kernels under the brand name of ‘*A-1 Ajanta*’.

NON-COOPERATION WITH PREVIOUS RATING AGENCY : NA

RATING HISTORY FOR THE LAST THREE YEARS (including withdrawn/ suspended ratings)

Instrument / Facilities	Current Rating			Rating History		
	Tenure (Long Term/ Short Term)	Amount (₹ Cr)	Rating	27, January, 2020	2019#	31st, August, 2018
Fund Based	Long Term	10.04	BWR D ; Issuer Not Cooperating (Reaffirmation)	BWR D	-	BWR BB (Stable)
	Short Term	8.75	BWR D ; Issuer Not Cooperating (Reaffirmation)	BWR D	-	BWR A4+
Total		18.79	INR Eighteen Crores & Seventy Nine Lakhs Only			

#The entity was transferred to Ratings Not Reviewed on 2nd September 2019

COMPLEXITY LEVELS OF THE INSTRUMENTS

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

Hyperlink/Reference to applicable Criteria

- [Trading Entities](#)
- [General Criteria](#)
- [What Constitutes Non-Cooperation](#)

ANNEXURE I

Ajanta Industries

Details of Bank Facilities rated by BWR

Sl. No.	Type of Facilities	Long Term (₹ Cr)	Short Term (₹ Cr)	Total (₹ Cr)
1	Cash Credit	0.29	-	0.29
2	Term Loan	9.75	-	9.75
3	PC/PCFC/FDB	-	8.75	8.75
TOTAL				18.79

Total Rupees Eighteen Crores & Seventy Nine Lakhs only.

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