



Rating Rationale

20 Oct 2020

**Akhila Agro Products**

**Brickwork Ratings has reviewed the ratings for the Bank Loan Facilities of Rs. 20.00 Crores of Akhila Agro Products based on best available information. As the issuer did not cooperate, accordingly the ratings for the said bank loan facilities are Downgraded to BWR B(Stable) and migrated to the ISSUER NOT COOPERATING\* category.**

**Particulars**

Facility	Amount (Rs Crs)		Tenure	Rating*	
	Previous	Present		Previous 06 September 2017	Present
<b>Fund based</b> Cash Credit-Proposed	20.00	20.00	Long Term	<b>BWR B+</b> (Stable) (Downgrade) ISSUER NOT COOPERATING**	<b>BWR B</b> (Stable) (Downgrade) ISSUER NOT COOPERATING**
<b>Total</b>	<b>20.00</b>	<b>20.00</b>	<b>INR Twenty Crores Only</b>		

\*Please refer to BWR website [www.brickworkratings.com/](http://www.brickworkratings.com/) for definition of the ratings.

\*\*Issuer did not cooperate; Based on best available information

# Note: Details of Bank facilities are provided in Annexure I

**Ratings Downgraded and migrated to ISSUER NOT COOPERATING\* category**

**Nature of Non-Cooperation:**

The ratings were due for a Surveillance. Brickwork Ratings (BWR) took up with the issuer to provide required information over emails and through telephone communication. Despite the best efforts of Brickwork Ratings to get at least the minimum required information for a Surveillance, the entity has not provided the same. In the absence of adequate information from the issuer and continued lack of management cooperation, Brickwork Ratings is unable to assess the issuer's financial performance and its ability to service its debt and maintain valid ratings. Based on inadequate information and continued lack of management cooperation, Brickwork Ratings has downgraded the ratings to 'BWR B(Stable) and migrated to the ISSUER NOT COOPERATING\* category.



### Limitations of the ratings:

Information availability risk is a key factor in the assessment of credit risk as generally, non-cooperation by the rated entities to provide required information for a review of the assigned ratings may also be accompanied by financial stress. Users of the credit ratings should therefore take into account the possible deterioration in the credit quality of the rated entity arising from its non-transparency and withholding of information required for a review of the ratings.

### Analytical Approach

For arriving at its ratings, BWR has applied its rating methodology as detailed in the Rating Criteria detailed below (hyperlinks provided at the end of this rationale).

### About the Company

M/s Akhila Agro Products was established during April 2015 as a partnership firm, located in Guntur and commercial operations started from April 2015. Firm is engaged in the trading & pressing of Tobacco. Firm is promoted by Mrs. J Jayalakshmi & J Anusha holding 50% of profits each in the firm. Firm business operations is managed by Mr. Krishna Babu.

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

Facility	Current Rating (2020)			Rating History		
	Type	Amount (Rs Crs)	Rating	2019	2018	2017 06.09.2017
<b>Fund Based</b> Cash Credit- Proposed	Long Term	20.00	<b>BWR B</b> (Stable) (Downgrade) ISSUER NOT COOPERATING*	-	-	<b>BWR B+</b> (Downgrade) ISSUER NOT COOPERATING **
<b>Total</b>		<b>20.00</b>	<b>INR Twenty Crores Only</b>			

\* Issuer did not cooperate; Based on best available information

**Status of non-cooperation with previous CRA-** Nil

**Key Covenants of the facility rated:** The terms of sanction include standard covenants normally stipulated for such facilities.

### Complexity Levels of the Instruments:

For more information, visit <https://www.brickworkratings.com/download/ComplexityLevels.pdf>



## Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [What Constitutes Non-Cooperation](#)

For any other criteria obtain hyperlinks from website

Analytical Contacts	Investor Contacts
<p><b>K.Nagaraj</b> Associate Director - Ratings B :+91 80 4040 9940 <a href="mailto:nagaraj.ks@brickworkratings.com">nagaraj.ks@brickworkratings.com</a></p> <p><b>Rasmita.M</b> Rating Analyst B :+91 40 2331 0161/ 2331 0071 <a href="mailto:rasmita.m@brickworkratings.com">rasmita.m@brickworkratings.com</a></p>	<p><b>Liena Thakur</b> Assistant Vice President - Corporate Communications M : +91 84339 94686 <a href="mailto:liena.t@brickworkratings.com">liena.t@brickworkratings.com</a></p>

**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.