

## Rating Rationale

### Akhila Agro Products

6<sup>th</sup> September 2017

Brickwork Ratings has reviewed the Rating for the bank loan facilities of Rs. 20.00 Crs of Akhila Agro Products based on best available information, as the issuer did not cooperate. Accordingly the Long term rating for the said instrument is downgraded to BWR B+ 'Issuer Not Cooperating'.

#### Particulars

Facility Rated	Amount (Rs. Crs)		Tenure	Rating <sup>1</sup>	
	Previous	Present		Previous (May 2016)	Present
<b>Fund Based</b>			<b>Long Term</b>	<b>BWR BB- Outlook:Stable</b>	<b>BWR B+ Issuer Not Cooperating* Downgraded</b>
Cash Credit - Proposed	<b>20.00</b>	<b>20.00</b>			
<b>Total</b>	<b>20.00</b>	<b>20.00</b>	<b>(Rupees 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

#### Rating downgraded:

The rating downgrade reflects the deteriorating credit quality on account of weakening debt coverage indicators and inability of the firm to service its debt obligations on time signifying a liquidity stress in the firm.

#### Nature of Non-co-operation:

The rating was due for a review in 2 May 2016 BWR took up with the issuer to provide required information over emails and tele calls. Despite the best efforts of BWR to get at least the minimum required information for a review, the firm has not provided the same.

In the absence of adequate information from the company, BWR is unable to assess the company's financial performance and its ability to service its debt and maintain a valid rating.

#### Limitations of the rating:

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

**About the Firm**

M/S Akhila Agro Products established as a partnership concern in April 2015. The firm is located at Guntur, Andhra Pradesh. Firm is engaged in trading and pressing of Tobacco. Firm is promoted by Mrs. Jayalakshmi & Ms. J Anusha.

**Rating History for the last three years (including withdrawn/suspended ratings)**

Instrument/ Facility	Rated Amount in Crs	Current Rating (2017)	Rating History		
			02/05/16	2015	2014
Cash Credit - Proposed	20.00	BWR B+  'Issuer Not Cooperating*'	BWR BB-	Not Rated	Not Rated
<b>Total</b>		<b>20.00(Rupees Twenty Crores Only)</b>			

\*Issuer did not Co-operate ; Based on best available information

**Hyperlink/Reference to applicable Criteria / Policies**

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

For any other criteria to be hyperlinks from website to be taken

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**For print and digital media**

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**Note on complexity levels of the rated instrument:**

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at [www.brickworkratings.com/download/ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf) Investors queries can be sent to [info@brickworkratings.com](mailto:info@brickworkratings.com).

**About Brickwork Ratings**

Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, has also been accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a Nationalized Bank, as its promoter and strategic partner.

BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Guwahati, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 9,30,000 Cr. In addition, BWR has rated about 5000 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹19,700 Cr have been rated. Brickwork has a major presence in rating of nearly 100 cities.

**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.