

RATING RATIONALE

22Oct2019

Ambica Cashew Industries

Brickwork Ratings reaffirms the ratings for the Bank Loan Facilities of ₹ 5.80 Crores of Ambica Cashew Industries based on best available information, as the issuer did not cooperate.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (Nov, 2017)	Present
Fund Based	3.00	3.00	Long Term	BWR B/Stable (Pronounced as BWR Single B)	BWR B/Stable (Pronounced as BWR Single B) Issuer Not Cooperating* [Reaffirmed]
Non Fund Based	2.80	2.80	Short Term	BWR A4 (Pronounced as BWR A Four)	BWR A4 (Pronounced as BWR A Four) Issuer Not Cooperating* [Reaffirmed]
Total	5.80	5.80	INR Five Crores and Eighty Lakhs Only		

Note: Moved to Rating Not Reviewed on Mar 1, 2019

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

Brickwork Ratings has reaffirmed the rating to BWR B “Stable” (Issuer did not Cooperate) /BWR A4 (Issuer did not Cooperate) for the bank loan facilities of ₹ 5.80 Crores of **Ambica Cashew Industries**.

OUTLOOK / NATURE OF NON-COOPERATION

The rating was due for a review in Nov, 2018. BWR took up with the issuer to provide required information over emails and through telephone calls. The firm was initially assigned rating of BWR B(Stable)/A4 in Jun, 2013, subsequently reaffirmed at BWR B(Stable)/A4 in Aug 2014, Nov 2015, Dec 2016, Nov 2017 and moved to Rating Not Reviewed in Mar, 2019. Despite the best efforts of BWR to get at least the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the firm, BWR is unable to assess the firm’s financial performance and its ability to service its debt and maintain a valid rating. The industry that the firm operates in has strong demand, influencing the firm's Stable Outlook.

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	FY16	FY17
Result Type		Audited	Audited
Net Sales/ Revenue	Rs In Crs	21.76	14.32
EBIDTA	Rs In Crs	1.70	1.17
PAT	Rs In Crs	0.22	0.16
Tangible Net-worth(TNW)	Rs In Crs	1.86	2.43
Total Debt: TNW	In Times	3.21	2.09
Current Ratio	In Times	14.60	31.83

FIRM PROFILE

Ambica Cashew Industries is a proprietorship firm was established in 2003, promoted by Smt. Pratti Perantala Ammadu, located at Tuni, Andhra Pradesh. The firm is primarily engaged in importing and exporting of cashew and cashew products.

NON-COOPERATION WITH PREVIOUS RATING AGENCY : The firm has not cooperated with CRISIL ratings, which has been published & migrated in “Issuer did not cooperate category” on Dec 8, 2014 due to non availability of information.

RATING HISTORY

Facilities	Current Rating			Rating History		
	Tenure	Amount (₹ Cr)	Rating	1.3.2019	28.11.2017	8.12.2016
Fund Based	Long Term	3.00	BWR B/Stable Issuer Not Cooperating* [Reaffirmed]	Rating Not Reviewed	BWR B/Stable	
Non Fund Based	Short Term	2.80	BWR A4 Issuer Not Cooperating* [Reaffirmed]		BWR A4	
Total		5.80	INR Five Crores and Eighty Lakhs Only			

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

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](#)
- [What Constitutes Non-Cooperation](#)

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ANNEXURE I

**Ambica Cashew Industries
Details of Bank Facilities rated by BWR**

Sl.No.	Name of the Bank	Type of Facilities	Long Term [₹ Cr]	Short Term [₹ Cr]	Total [₹ Cr]
1	State Bank of India	Cash Credit	1.00	-	1.00
2		Demand Loan against Warehouse	2.00	-	2.00
3		Letter of Credit	-	2.80	2.80
Total					5.80

Total Rupees Five Crores and Eighty Lakhs only.

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