

**RATING RATIONALE**

**Annakut Biscuits Pvt Ltd**

**Brickwork Ratings downgrades/reaffirms the Ratings for Bank Loan facilities of ₹ 5.53 Crores of M/s Annakut Biscuits Pvt Ltd based on best available information, as the issuer did not cooperate.**

**Particulars :**

Facility	Amount (₹ Crores)		Tenure	Rating#	
	Previous	Present		Previous (Mar, 2019)	Present
<b>Fund Based</b>	<b>5.33</b>	<b>5.33</b>	<b>Long Term</b>	<b>BWR B+ Stable Downgrade ISSUER NOT COOPERATING*</b>	<b>BWR B Stable Downgrade ISSUER NOT COOPERATING*</b>
<b>Non Fund Based</b>	<b>0.20</b>	<b>0.20</b>	<b>Short Term</b>	<b>BWR A4 Reaffirm ISSUER NOT COOPERATING*</b>	<b>BWR A4 Reaffirm ISSUER NOT COOPERATING*</b>
<b>Total</b>	<b>5.53</b>	<b>5.53</b>	<b>₹ Five Crores and Fifty Three Lakhs 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

Details of Bank facilities is provided in Annexure-I

**RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION**

**Downgraded/reaffirmed to BWR B/A4 (Issuer not Cooperating) based on the best available information as the issuer did not cooperate.**

The initial rating was done on 01 Aug 2017 with rating assigned as BWR BB- (Stable)/A4, which was valid for 12 months from the date of assigned rating. The rating was downgraded/reaffirmed to BWR B+ (Stable)/A4 under Issuer Non-Cooperation category on 11 Mar 2019. BWR has been regularly seeking No default statement (NDS) from the company, but the company has not provided NDS. Hence, on account of inadequate information, lack of management cooperation, and non-submission of NDS, Brickwork Ratings has downgraded/reaffirmed the rating to BWR B/A4 Issuer Not Cooperating.

**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. 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 rating.

**KEY FINANCIAL INDICATORS (in ₹ Cr) [AS AVAILABLE WITH BWR]**

Key Parameters	Units	FY 15	FY 16
Result Type		Audited	Audited
Operating Revenue	Cr	8.77	11.30
EBITDA	Cr	2.80	2.39
PAT	Cr	0.34	0.36
Tangible Net Worth	Cr	0.35	0.27
(Total Debt/TNW)	times	24.47	25.81

**COMPANY PROFILE [AS AVAILABLE WITH BWR]**

Annakut Biscuits Pvt Ltd. is a private limited company which was incorporated on 20th January 1994 with its registered office situated at Kanpur, Uttar Pradesh. The Company procures orders from M/s Parle Biscuits Pvt Ltd and manufactures the required quantity of biscuits only for Parle. They have had a business relationship with Parle since inception.

**NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY:** Not Available

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

Facilities	Current Rating (2020)			Rating History		
	Type	Amount (₹ Cr)	Rating	11 Mar 2019	2018	01 Aug 2017
Fund Based	Long Term	5.33	BWR B Stable Downgrade ISSUER NOT COOPERATING*	BWR B+ Stable Downgrade ISSUER NOT COOPERATING*	-	BWR BB-Stable
Non Fund Based	Short Term	0.20	BWR A4 Reaffirm ISSUER NOT COOPERATING*	BWR A4 Reaffirm ISSUER NOT COOPERATING*		BWR A4
<b>Total</b>		<b>5.53</b>	<b>₹ Five Crores and Fifty Three Lakhs only</b>			

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

## COMPLEXITY LEVELS OF THE INSTRUMENTS

For more information, visit [www.brickworkratings.com/download/ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf)

### Hyperlink/Reference to applicable Criteria

- General Criteria
- Approach to Financial Ratios
- What Constitutes Non-Cooperation

Analytical Contacts	Investor and Media Relations
<p><b>Gaurav Jain</b>  <b>Primary Analyst</b>            Board: +91 11 2341 2232; Ext: 111            gaurav.j@brickworkratings.com</p> <p><b>Satvinder Kumar Gakhar</b>  <b>Associate Director - Ratings</b>            Board: +91 11 2341 2232            satvinder.g@brickworkratings.com</p>	<p>Liena Thakur            Assistant Vice President -            Corporate Communications            +91 84339 94686            liena.t@brickworkratings.com</p>

## ANNEXURE I

### Annakut Biscuits Pvt Ltd

#### Details of Bank Facilities rated by BWR

Sl.N o.	Name of the Bank	Type of Facilities	Long Term [₹ Cr]	Short Term [₹ Cr]	Total [₹ Cr]
1.	Bank of Baroda	Term Loan	2.08	-	2.08
		Overdraft	3.25	-	3.25
		Letter of Credit	-	0.20	0.20
<b>TOTAL</b>					<b>5.53</b>

**Total Rupees Five Crores and Fifty Three Lakhs 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.