RATING RATIONALE 11 May 2021

Annapurna Udyog

Brickwork Ratings downgrades the long term rating for the Bank Loan Facilities of Rs. 19.50 Crores of Annapurna Udyog based on the best available information as the issuer did not cooperate.

PARTICULARS

Facility Rated	Amount(Rs Crs)		Tenure	Rating#	
	Previous	Present		Previous (Mar, 2020)	Present
Fund Based	19.50	**19.50**	**Long Term**	BWR BB Stable Reaffirmed	**BWR BB- Stable Downgrade Issuer non Cooperation***
Total	19.50	**19.50**	**Rupees Nineteen Crores and Fifty Lakhs Only**		

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 / OUTLOOK / NATURE OF NON-COOPERATION

In view of non- availability of information and lack of cooperation from the company, Brickwork Ratings has downgraded the long term rating to 'BWR BB-: Issuer Not Cooperating' with a stable outlook for the bank loan facilities amounting to Rs. 19.50 Crs for M/S Annapurna Udyog.

The lenders/investors may note to exercise due caution while using the above ratings which mentions "Issuer Not Cooperating" since the ratings lack any projections or forward looking component as it is arrived based on the best available information without any management/banker's interaction.

The rating was due for a review. BWR took up with the firm to provide required information over emails and through telephone calls. Despite the best efforts of BWR to get at least the minimum required information for review, BWR could not get the necessary information. In the absence of adequate information from the issuer, BWR is unable to assess the firm'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 as generally, non-cooperation 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 rating should therefore take into account 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 (Rs Cr) [AS AVAILABLE WITH BWR]

The company has not submitted the financial statements to Brickwork Ratings from the last two years for review of ratings.

COMPANY PROFILE (As per information available)

Annapurna Udyog was incorporated as a partnership firm by Mr. Mithlesh Gupta and his brother Mr. Sant Kumar Gupta in the year 1994. The firm is into processing and trading of pulses- Arhar Dal, Chana Dal, Masoor Dal etc. Their processing unit is located at Panki, Kanpur with a total capacity of 1500 quintal per day. Currently, the firm is able to utilise 80-90% of the total installed capacity.

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: CRISIL B+/ Stable under issuer non cooperation dated 11.03.2021.

RATING HISTORY
(Rating History of last three years including withdrawn or suspended rating)

Instrument / Facilities	Current Rating			Rating History*		
	Tenure	Amount (Rs. Cr)	Rating	18.03.2020	30.03.2019	2018
Fund Based	Long Term	19.50	BWR BB- Stable Downgrade Issuer non Cooperation	BWR BB Stable Reaffirmed	BWR BB Stable Assigned	--
Total		19.50	INR Nineteen Crores and Fifty Lakhs Only			

***RNR on 19.03.2021.**

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

Annapurna Udyog

Details of Bank Facilities rated by BWR

S.No.	Type of Facilities	Long Term [Rs Cr]	Short Term [Rs Cr]	Total [Rs Cr]
1)	Fund Based Cash Credit	19.50	--	19.50
TOTAL				19.50

Total Rupees Nineteen Crores and Fifty Lakhs Only

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