RATING RATIONALE

31 December 2020

Ashirwad Industries

Brickwork Ratings downgrades the Long Term rating and reaffirms the short term rating for the Bank Loan Facilities ₹ 12.25 crores of Ashirwad Industries based on best available information, as the issuer did not cooperate.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		BWR Rating History (December, 2019)	Rating Recommended
Fund Based	9.75	9.75	Long Term	BWR B (Stable)	BWR B- (Stable) Downgraded Issuer Not Cooperating
Non Fund Based	2.50	2.50	Short term	BWR A4	BWR A4 Reaffirmed Issuer Not Cooperating
Total	12.25	12.25		INR Twelve Crores and Twenty Five lakhs Only	

Please refer to BWR website www.brickworkratings.com/ for definition of the ratings
* Issuer did not cooperate, based on best available information.

RATING ACTION/ OUTLOOK/NATURE OF NON-COOPERATION :

Brickwork Ratings downgrades the Long Term rating and reaffirms the short term rating to BWR B-(Stable)/A4 Issuer Not Cooperating* from BWR B(Stable)/A4 for the Bank Loan Facilities ₹ 12.25 crores of Ashirwad Industries based on best available information, as the issuer did not cooperate.

BWR had assigned the rating of BWR B(Stable)/A4 in December,2019. The rating was due for surveillance in December,2020. The firm was being followed up dated 27th November, 11th , 22nd, December 2020 for surveillance for its rating and clients responded for withdrawal of the rating however have not submitted any information for withdrawal of the rating despite close follow up. BWR followed up with Banker for Banker feedback via mails and calls dated 11th , 22nd,December 2020. The company Ashirwad Industries did not cooperate for review of rating for the bank loan facilities of Rs.12.25 Crs. In the absence of adequate information from the Company, Brickwork Ratings is unable to assess the Company's financial performance and its ability to service its debt and maintain a valid rating. Hence, on account of inadequate information and lack of management cooperation , BWR has downgraded the rating BWR

B-(Stable)/A4 under the Issuer Not Cooperating category.

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 rating should therefore take into account the possible deterioration in the credit quality of the rated entity arising from its non- transparency and withholdings of the information required for a review of the rating.

KEY FINANCIAL INDICATORS (in (₹ Cr) **(Information received as on December,2019)**

Key Parameters	Units	FY 19	FY 18
Result Type		Audited	Audited
Operating Revenue	₹ Crs	16.78	0.00
EBITDA	₹ Crs	1.13	0.00
PAT	₹ Crs	0.01	0.00
Tangible Networth	₹ Crs	1.94	1.65
Total Debt / Tangible Networth	Times	2.54	1.58
Current Ratio	Times	1.45	1.91

COMPANY PROFILE (Information received as on December,2019)

Ashirwad Industries (AI) is a partnership firm that commenced operations in Apr 2018. It is into manufacturing of ethanol which is used for various applications like blending petrol, diesel, pharmaceutical, textile industry, paint and rubber industries. It is located in Western Maharashtra, about 100 kms from Pune at Khandala. It is operational for 270 days in a year and uses SDS As the raw material which is sourced from other co-operative sugar factories for conversion to ethanol.

NON-COOPERATION WITH PREVIOUS RATING AGENCY :- NA

RATING HISTORY FOR THE PREVIOUS THREE YEARS [including withdrawal and suspended]

Facilities	Current Rating			Rating History				
	Tenure	Amount (₹ Cr)	Rating	2019			2018	2017
Fund Based	Long Term	9.75	BWR B- (Stable) Downgraded Issuer Not Cooperating	Long Term	9.75	BWR B (Stable)	-	-
Non Fund Based	Short term	2.50	BWR A4 Reaffirmed Issuer Not Cooperating	Short term	2.50	BWR A4	-	-
Total		12.25	INR Twelve Crores and Twenty Five 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 Ratio
- What constitutes Non cooperation

Analytical Contacts	
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ANNEXURE I

Ashirwad Industries
Details of Bank Facilities rated by BWR

Name of the Bank	Facilities	Type	Tenure	Total [₹ Cr]
Bank of India,Shirwarl Branch	Cash Credit Term loan Cash Credit - Proposed	Fund Based	Long Term	2.50 2.25 5.00
	Bank Guarantee	Non Fund Based	Short Term	2.50
INR Twelve Crores and Twenty Five lakhs Only				12.25

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