



## RATING RATIONALE

25<sup>th</sup> February 2021

### Ashutosh Foods

**Brickwork Ratings reaffirmed the long term ratings and short term rating for the Bank Loan Facilities of Rs. 49.00 Crores of Ashutosh Foods based on best available information, as the issuer did not cooperate.**

#### Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (January, 2020)	Present
<b>Fund Based</b>	44.00	44.00	<b>Long Term</b>	<b>BWR D (Downgraded) Issuer Did Not Cooperating*</b>	<b>BWR D (Reaffirmed) Issuer Did Not Cooperating*</b>
<b>Non-Fund Based</b>	5.00	5.00	<b>Short Term</b>		
<b>Total</b>	49.00	49.00	<b>INR Forty Nine 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.

Details of Bank facilities is provided in Annexure-I

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

The rating of the Bank Loan Facilities of the entity has been reaffirmed to BWR D under the 'Issuer Not Cooperating' category.

BWR assigned the initial rating of BWR BB (Stable)/BWR A4+ on 27<sup>th</sup> October 2017. The outstanding ratings was reaffirmed to BWR BB (Stable)/BWR A4+ for bank loan facilities of Rs.49.00 crs on 07<sup>th</sup> March, 2019. The rating was due for review in March 2020. Subsequently the rating was downgraded to BWR D under "Issuer Non-Cooperation" dated 28<sup>th</sup> January, 2020. BWR took up with the issuer to provide required information over mail. Despite the best efforts of BWR to get at least the minimum required business and financial information and documents for a review, the issuer has not provided the same. BWR contacted existing banker and could not get a feedback from the banker. In the absence of adequate information and contact details from the issuer, BWR is unable to assess the issuer'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.

### KEY FINANCIAL INDICATORS (in ₹ Cr)

Key Parameters	Units	FY17	FY18
Result Type		Audited	Audited
Operating Revenue	₹ Cr	257.43	274.96
EBITDA	₹ Cr	8.54	8.47
PAT	₹ Cr	0.72	0.77
Tangible Net Worth	₹ Cr	9.83	10.17
Total Debt/Tangible Net Worth	Times	11.00	7.58
Current Ratio	Times	2.19	1.40

*Note: As per information available with BWR*

### COMPANY PROFILE [ Information as available in 2020]

Karnal based Ashutosh Foods was established in 2004 and is currently being managed by Mr.Sushil Kumar and Mr. Ashish Singla. The firm is engaged in the processing and export of superior basmati rice, and its manufacturing unit is located at Karnal with the installed capacity of 200 MTPD.

### NON-COOPERATION WITH PREVIOUS RATING AGENCY:

**Downgraded to CRISIL D from CRISIL BB-/Stable (Issuer Not Cooperating) dated 31.01.2020**

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

Facilities	Current Rating			Rating History		
	Tenure	Amount (₹ Cr)	Rating	2020	2019	2018#
<b>Fund Based</b>	<b>Long Term</b>	44.00	<b>BWR D (Reaffirmed) Issuer Not Cooperating*</b>	<b>BWR D (Downgraded) Issuer Not Cooperating*</b>	BWR BB Stable (Reaffirmation)	--
<b>Non-Fund Based</b>	<b>Short Term</b>	5.00			BWR A4+ (Reaffirmation)	--
<b>Total</b>		49.00	<b>INR Forty Nine crores only</b>			

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

# Note: Initial Rated as BWR BB (Stable)/BWR A4+ on 27<sup>th</sup> October, 2017

**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**
- **What constitutes Client Non Co-operation**

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**ANNEXURE I-Ashutosh Foods  
Details of Bank Facilities rated by BWR**

S. No.	Type of Facilities	Tenure	[₹ Cr]	Total [₹ Cr]
1	Fund Based CC (Hyp & BD)	Long Term	44.00	44.00
2	Non-Fund Based <b>PCL</b> (Sublimit of CC)	Short Term	(20.00)	(20.00)
3	<b>FOBP</b> (Sublimit of CC)		(20.00)	(20.00)
4	<b>PCFC</b> (Sublimit of CC)		(20.00)	(20.00)
5	<b>WHR</b>		5.00	(20.00)
<b>TOTAL</b>		<b>INR Forty Nine crores only</b>		



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