

Rating Rationale

12 May 2020

Ananda Foods

Brickwork Ratings downgrades the long term rating and reaffirms short term rating for the Bank Loan Facilities of Rs. 83.08Crs of Ananda Foods based on best available information, as the company did not cooperate.

Particulars

Facilities**	Amount (Rs. Crs)		Tenure	Rating#	
	Previous	Present		Previous (May 2019)	Present
Fund based					
Term Loan	1.08	1.08	Long Term	BWR BB/ Stable	BWR BB- Issuer Not Cooperating*/ Stable Downgraded
PC/PCFC/FDB/FBE	80.00	80.00	Short Term	BWR A4	BWR A4 Issuer Not Cooperating* Reaffirmed
Non Fund Based					
Letter of Credit	2.00	2.00			
Total	83.08	83.08	Rupees Eighty Three Crores And Eight Lakhs Only		

* Issuer did not cooperate;Based on the best available information ; **Details of Bank facilities are provided in Annexure-I; # Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

Rating Action/Nature of Non Cooperation

The ratings were due for a review in May 2020. BWR took up with the company to provide required information for conducting a review of the ratings through emails and telephone calls. Despite the best efforts of BWR to get at least the minimum required information for a review, the company has not provided the same. Due to the continued lack of management cooperation and in the absence of adequate information from the Company, BWR is unable to assess the Company's financial performance and its ability to service its debt and maintain a valid rating. The company has not been submitting the No Default Statement(NDS) to BWR, as



per extant regulations. Hence, based on best available information, Brickwork Ratings has revised and migrated the ratings to the ISSUER NOT COOPERATING* category.

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 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

The Company has not provided financial information to BWR for the past year.

Company Profile

Ananda Foods ['AF' or 'the firm'], a family owned partnership entity, was established in August 1993 by Shri. U Kasi Viswanadha Raju at Bhimavaram, West Godavari, Andhra Pradesh. The firm discontinued its business operations in January 2005 for various reasons and subsequently commenced its operations from 2016. AF is engaged in export of processed frozen shrimp to its clients in various countries, namely, USA, Canada, European Countries, Singapore, South Africa, UAE, Saudi Arabia and Middle East Countries. The firm has seafood processing facilities at Bhimavaram, West Godavari, Andhra Pradesh and is a 100% export oriented unit.

Status of non-cooperation with previous CRA - NA

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

Facilities		Current Rating (May 2020)		Rating History		
	Tenure	Amount (Rs. Crs)	Rating	06 May 2019	27 Feb 2018^	2017
Fund Based						
Term Loan	Long Term	1.08	BWR BB- Issuer Not Cooperating*/Stable	BWR BB/Stable	BWR BB-/Stable	NA
PC/PCFC/FDB/FBE		80.00				
Non Fund Based			BWR A4 Issuer Not Cooperating*	BWR A4	BWR A4	NA
Letter of Credit	Short term	2.00				
Total		83.08	Rupees Eighty Three Crores And Eight Lakhs Only			

*Issuer did not cooperate; Based on best available information; ^ BWR had assigned BWR BB-/ Stable/A4 to Bank Loan Ratings of Rs.26.80 cr.



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](#)
- [Manufacturing Companies](#)
- [Short Term Debt](#)

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ANNEXURE I

Ananda Foods

Details of Bank Loan Facilities rated by BWR

Sl.No.	Name of the Bank	Type of Facility	Long Term [Rs. Crs]	Short Term [Rs. Crs]	Total [Rs. Crs]
1	Canara Bank	Term Loan	1.08	-	1.08
		PC/PCFC/FDB/FBE	-	80.00	80.00
		LC	-	2.00	2.00
TOTAL - Rupees Eighty Three Crores And Eight Lakhs Only					83.08

For print and digital media

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