

Press Release

India Mega Agro Anaj Limited

February 17, 2020

Ratings

Sl. No.	Instrument/Facility	Amount (Rs. Crores)	Rating Assigned	Rating Action*
1.	Long Term Fund Based Limits –Cash Credit	137.30	IVR D (IVR D) Issuer Not Cooperating*	Rating reaffirmed at IVR D (IVR D) and moved to Issuer not cooperating category
2	Long Term Bank Facilities - Term Loan	58.60		
	Total	195.90		

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

Details of Facility are in Annexure 1

Detailed Rationale

The rating revision is because of lack of adequate information with respect to India Mega Agro Anaj Limited performance and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade.

Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide letter communications dated August 26, 2019, September 17, 2019, October 26, 2019, and November 15, 2019 and December 13, 2019 and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company’s management has not submitted the essential details and fees for the surveillance exercise.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on

the best available information. Accordingly, the bank loan facilities of company aggregating to Rs.195.90 crore shall be moved to the ‘ISSUER NOT COOPERATING’ category by Infomerics and the rating be noted as **IVR D ; Issuer Not Co-operating; Based on best available information. (IVR Single D; Issuer Not Co-operating; Based on best available information).**

Accordingly, the lenders, investors and other users of this ratings are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the company.

Analytical Approach & Applicable Criteria

Rating Methodology for Manufacturing Companies

Financial Ratios & Interpretation – (Non-financial Sector)

Guidelines on what constitutes Non-Cooperation by clients

About the Company

India Mega Agro Anaj Ltd. (IMAA) was established in 2010 with a mission to develop the food processing industry on a large scale, being one of the priority areas for governments to boost the Agriculture Sector. The Company has successfully achieved a Mega Status from Government of Maharashtra providing benefits including Sales Tax Exemption, Stamp Duty Exemption, Electricity Duty, PF Reimbursement, etc. The company has land of 1, 00,212 sq. metres at 5 Star MIDC, Krushnoor, Dist. Nanded, Maharashtra.

Status of non-cooperation with previous CRA: Care Ratings & research in its press release published on September 06, 2018 has classified the case under Issuer Not Cooperating status on account of non-submission of relevant information.

Any other information: Nil

Rating History for last three years:

S. No.	Name of Instrument /Facilities	Current Rating (Year 2019-20)			Rating History for the past 3 years			
		Type	Amount o/s (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2018-19	Date(s) & Rating(s) assigned in 2017-18	Date(s) & Rating(s) assigned in 2016-17	

1.	Term Loan	Long Term	58.60	IVR D/(IVR D)ISSUER NOT COOPERA TING* (Rating moved to Issuer Not Cooperatin g category)	IVR D	IVR BBB+/Stable Outlook (May 17,2018)	--	--
2.	Fund Based Facilities Cash Credit	Long Term	137.30	IVR D/(IVR D)ISSUER NOT COOPERA TING* (Rating moved to Issuer Not Cooperatin g category)	IVR D	IVR BBB+/Stable Outlook (May 17,2018)	--	--

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.

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About Infomerics:

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. Company’s long experience in varied spectrum of financial services is helping it to fine tune its product offerings to best suit the market.

Disclaimer: Infomerics ratings are based on information provided by the issuer on an ‘as is where is’ basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality

ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Facility

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility(Rs. Crore)	Rating Assigned/ Outlook
Term Loan	--	--	May 2026	58.60	IVR D (IVR D) Issuer Not Cooperating*
Fund Based Facilities Cash Credit	--	--	--	137.30	IVR D (IVR D) Issuer Not Cooperating*

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