



Press Release

Ashirvad Food Products Private Limited

June 18, 2024

Ratings

Facilities/ Instruments	Amount (INR crore)	Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	20.64	IVR B-/ Negative ISSUER NOT COOPERATING* (IVR B minus with Negative Outlook Issuer Not Cooperating*)	Rating reaffirmed and continued in Issuer Not Cooperating category	Simple
Short Term Bank Facilities	7.36	IVR A4 ISSUER NOT COOPERATING* (IVR A Four Issuer Not Cooperating)	Rating reaffirmed and continued in Issuer Not Cooperating category	Simple
Total	28.00 (INR Twenty-eight crores only)			

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

Details of Facilities are in Annexure 1

Detailed Rationale

Infomerics has reaffirmed the ratings and continued the ratings of Ashirvad Food Products Private Limited (AFPL) in the ISSUER NOT COOPERATING category because of lack of adequate information for rating review from the company 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 company.

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 e-mail communications dated June 03, 2024, June 04, 2024, and June 05, 2024, and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted surveillance fees and all the essential details required for detailed review of the assigned ratings.



Press Release

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 ratings based on the best available information. Accordingly, the long- term and short-term rating for the bank facilities aggregating to Rs. 28 crore shall be continuing to be in 'ISSUER NOT COOPERATING' category by Infomerics and the long-term rating will be denoted as IVR B-/ Negative ISSUER NOT COOPERATING; Based on best available information (IVR B minus with negative outlook Issuer Not Cooperating; Based on best available information) and the short-term rating will be denoted as IVR A4 ISSUER NOT COOPERATING; Based on best available information (IVR A four Issuer Not Cooperating; Based on best available information).

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for manufacturing companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Criteria of Rating Outlook](#)

[Policy on default recognition](#)

[Complexity level of rated Instrument/Facilities](#)

About the company

Incorporated on December 11, 2003, Purulia based Ashirvad Food Products Pvt Ltd (AFPPL) was promoted by one Mr. Dinesh Agarwal. The company was taken over by the Poddar family in 2011. The company is engaged in manufacturing of Maida, Bran. The company operates under the Priority Sector under essential commodities in the category of MSME sector and also sells to bulk retailers like Hindustan Unilever Ltd, Ganesh Grains Ltd, etc. The company also sells under the brand name "SWASTHATM.". The manufacturing facility of the company is located at Purulia with an installed capacity of 173815 MTPA for Atta, 105300 MTPA for Maida, 7020 MTPA for Suji & 7020 MTPA for Bran. Mr. Lalit Kumar Poddar and his nephew Mr. Sarvesh Poddar look after the operations of the company.



Press Release

Financials (Standalone)

(INR Crore)

For the year ended* / As On	31.03.2019	31.03.2020
	Audited	Provisional
Total Operating Income	49.98	54.35
EBITDA	3.19	2.66
PAT	0.05	0.08
Total Debt	21.82	24.27
Tangible Net worth	9.45	9.53
Ratios		
EBITDA Margin (%)	6.39	4.89
PAT Margin (%)	0.09	0.14
Overall Gearing Ratio (x)	2.31	2.55

*Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: Nil

India Ratings moved the ratings of Ashirvad Food Products Private Limited in the Issuer Not Cooperating category as the entity had failed to provide information for monitoring of the rating as per the Press Release dated July 09, 2018 and maintains the same as on July 24, 2023.

Any other information: Nil

Rating History for last three years:

Sl. No.	Name of Instrument/Facilities	Current Rating (Year 2024-25)			Rating History for the past 3 years		
		Type	Amount Outstanding (Rs. Crore)	Rating	Date (s) & Rating(s) assigned in 2023-24 (May 17, 2023)	Date (s) & Rating(s) assigned in 2022-23	Date (s) & Rating(s) assigned in 2021-22 (Mar 17, 2022)
1.	Cash Credit	Long Term	20.64	IVR B-/ Negative ISSUER NOT COOPERATING*	IVR B-/ Negative ISSUER NOT COOPERATING*	-	IVR B ISSUER NOT COOPERATING*
2.	Letter of Credit	Short Term	0.25	IVR A4 ISSUER NOT COOPERATING*	IVR A4 ISSUER NOT COOPERATING*	-	IVR A4 ISSUER NOT COOPERATING*
3.	Bank Guarantee	Short Term	5.63	IVR A4 ISSUER NOT COOPERATING*	IVR A4 ISSUER NOT COOPERATING*	-	IVR A4 ISSUER NOT COOPERATING*
4.	Proposed Bank Guarantee	Short Term	1.48	IVR A4 ISSUER NOT COOPERATING*	IVR A4 ISSUER NOT COOPERATING*	-	IVR A4 ISSUER NOT COOPERATING*

*Issuer did not cooperate; based on best available information

Name and Contact Details of the Rating Analyst:



Press Release

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About Infomerics:

Infomerics was founded in the year 1986 by a team of highly experienced and knowledgeable finance professionals. Subsequently, after obtaining Securities Exchange Board of India registration and RBI accreditation and the activities of the company are extended to External Credit Assessment Institution (ECAI).

Adhering to best International Practices and maintaining high degree of ethics, the team of knowledgeable analytical professionals deliver credible evaluation of rating.

Infomerics evaluates wide range of debt instruments which helps corporates open horizons to raise capital and provides investors enlightened investment opportunities. The transparent, robust and credible rating has gained the confidence of Investors and Banks.

Infomerics has a pan India presence with Head Office in Delhi, branches in major cities and representatives in several locations.

For more information visit www.infomerics.com

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 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
Cash Credit	-	-	-	20.64	IVR B-/ Negative ISSUER NOT COOPERATING*



Press Release

Letter of Credit	-	-	-	0.25	IVR A4 ISSUER NOT COOPERATING*
Bank Guarantee	-	-	-	5.63	IVR A4 ISSUER NOT COOPERATING*
Proposed Bank Guarantee	-	-	-	1.48	IVR A4 ISSUER NOT COOPERATING*

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

Annexure 2: Facility wise lender details: Not Applicable

Annexure 3: List of companies considered for consolidated analysis: Not Applicable

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

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