

Press Release

Welga Foods Limited (WFL)

July 19, 2019



Rating Update

Total Bank Facilities Rated*	Rs. 17.65 Cr. #
Long Term Rating	ACUITE B+ Issuer not co-operating*

#Refer Annexure for details

* The issuer did not co-operate; based on best available information.

Rating Rationale

Acuité has reviewed the long term rating of '**ACUITE B+**' (**read as ACUITE B plus**) on the Rs.17.65 crore bank facilities of Welga Foods Limited (WFL). This rating is now an indicative rating and is based on best available information.

The Uttar Pradesh-based, Welga Foods Limited (WFL) was incorporated in 1983 by Mr. Gyan Prakash, Mr. Ram Gopal Vaish and Mrs. Rashmi Agarwal. The company is engaged in processing of vegetables majorly Green Peas. The company sells these products under its own brand name 'Welga'. The processing plant is located in Uttar Pradesh with processing capacity of 3,400 metric tons of peas per annum.

Non-cooperation by the issuer/borrower:

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.htm>
- Default Recognition: <https://www.acuite.in/criteria-default.htm>

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité endeavored to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated attempts.

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

Acuité is yet to receive the latest no default statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
10-May-2018	Cash Credit	Long Term	14.10	ACUITE B+/Stable (Downgraded from ACUITE BB-)
	Term Loan	Long Term	0.65	ACUITE B+/Stable (Downgraded from ACUITE BB-)
	Proposed Facility	Long Term	2.90	ACUITE B+/Stable (Assigned)
14-Sep-2017	Cash Credit	Long Term	13.00	ACUITE BB-/Stable (Downgraded from ACUITE BB)
	Term Loan	Long Term	0.65	ACUITE BB-/Stable (Downgraded from ACUITE BB)
09-May-2016	Cash Credit	Long Term	13.00	ACUITE BB/Stable (Reaffirmed)
	Term Loan	Long Term	0.65	ACUITE BB/Stable (Reaffirmed)

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	14.10	ACUITE B+ Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.65	ACUITE B+ Issuer not co-operating*
Proposed Facility	Not Applicable	Not Applicable	Not Applicable	2.90	ACUITE B+ Issuer not co-operating*

*The issuer did not co-operate; based on the best available information.

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About Acuite Ratings & Research:

Acuite Ratings & Research Limited (Erstwhile SMERA Ratings Limited) is a full-service Credit Rating

Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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