

## Press Release

Welga Foods Limited

December 30, 2021



### Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
<b>Bank Ratings</b> <b>Loan</b>	17.65	ACUITE B+   Reaffirmed   Issuer not co-operating*	
<b>Total</b>	17.65	-	-

### Rating Rationale

Acuité has reaffirmed the long-term rating of '**ACUITE B+**' (read as **ACUITE B plus**) on the Rs. 17.65 crore bank facilities of Welga Foods Limited. The rating continues to be flagged as "Issuer Not-Cooperating" and is based on best available information.

### About the Company

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 a 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 the due date.

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

### 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 endeavoured 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.

### Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

### Liquidity Position

No information provided by the issuer / available for Acuite to comment upon.

### Status of non-cooperation with previous CRA

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

### Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

### • Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
09 Oct 2020	Term Loan	Long Term	0.65	ACUITE B+ (Issuer not co-operating*)
	Proposed Bank Facility	Long Term	2.90	ACUITE B+ (Issuer not co-operating*)
	Cash Credit	Long Term	14.10	ACUITE B+ (Issuer not co-operating*)
19 Jul 2019	Term Loan	Long Term	0.65	ACUITE B+ (Issuer not co-operating*)
	Cash Credit	Long Term	14.10	ACUITE B+ (Issuer not co-operating*)
	Proposed Bank Facility	Long Term	2.90	ACUITE B+ (Issuer not co-operating*)
10 May 2018	Cash Credit	Long Term	14.10	ACUITE B+   Stable (Downgraded from ACUITE BB-   Stable)
	Term Loan	Long Term	0.65	ACUITE B+   Stable (Downgraded from ACUITE BB-   Stable)
	Proposed Bank Facility	Long Term	2.90	ACUITE B+   Stable (Assigned)
14 Sep 2017	Term Loan	Long Term	0.65	ACUITE BB-   Stable (Downgraded from ACUITE BB   Stable)
	Cash Credit	Long Term	13.00	ACUITE BB-   Stable (Downgraded from ACUITE BB   Stable)
09 May 2016	Term Loan	Long Term	0.65	ACUITE BB   Stable (Reaffirmed)
	Cash Credit	Long Term	13.00	ACUITE BB   Stable (Reaffirmed)
08 Apr 2015	Cash Credit	Long Term	8.25	ACUITE BB   Stable (Assigned)
	Term Loan	Long Term	1.32	ACUITE BB   Stable (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Central Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	14.10	ACUITE B+   Reaffirmed   Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	2.90	ACUITE B+   Reaffirmed   Issuer not co-operating*
Central Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	0.65	ACUITE B+   Reaffirmed   Issuer not co-operating*

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### About Acuité Ratings & Research

Acuité Ratings & Research 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 8,850 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 Kanjurmarg, Mumbai.

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