



Press Release

Narmada Agrobase Private Limited

January 10, 2019

Rating Update

Total Bank Facilities Rated*	Rs. 7.00Cr.#
Long Term Rating	ACUITE BB- 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 BB-**' (read as **ACUITE double B minus**) to the Rs 4.50 crore bank facilities of Narmada Agrobase Private Limited (NAPL). This rating is now an indicative rating and is based on best available information.

NAPL is a Gujarat-based company incorporated in 2013. The commercial operation started from February, 2014. The company is promoted by Mr. Suresh Chandra Gupta and his son, Mr. Neeraj Agarwal. The company has two business segments. NAPL is engaged in the business of manufacture of delinted cotton seeds and cattle feed. The raw material is purchased from local market from Ahmadabad.

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

- Default Recognition -<https://www.acuite.in/view-rating-criteria-17.htm>
- Manufacture Recognition -<https://www.acuite.in/view-rating-criteria-4.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 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

	Unit	FY17 (Actual)	FY16 (Actual)	FY15 (Actual)
Operating Income	Rs. Cr.	36.81	30.68	22.03
EBITDA	Rs. Cr.	1.26	1.00	0.85
PAT	Rs. Cr.	0.24	0.20	0.17
EBITDA Margin	(%)	3.42	3.27	3.88
PAT Margin	(%)	0.64	0.66	0.77
ROCE (%)	(%)	9.53	9.19	9.05

Total Debt/Tangible Net Worth	Times	0.88	0.84	1.24
PBDIT/Interest	Times	2.06	1.86	2.01
Total Debt/PBDIT	Times	4.40	4.65	5.31
Gross Current Assets (Days)	Days	78	75	94

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
15-Nov-2017	Cash Credit	Long Term	4.00	ACUITE BB- (Indicative)
	Term Loan	Long Term	0.50	ACUITE BB- (Indicative)
	Proposed Cash Credit	Long Term	2.50	ACUITE BB- (Indicative)
19-Aug-2016	Cash Credit	Long Term	4.00	ACUITE BB- Stable (Assigned)
	Term Loan	Long Term	0.50	ACUITE BB- Stable (Assigned)
	Proposed Cash Credit	Long Term	2.50	ACUITE BB- Stable (Assigned)

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE BB- Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.50	ACUITE BB- Issuer not co-operating*
Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.50	ACUITE BB- Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
<p>Sri Hari Adari Head - Rating Operations, Mid Corporate Sri Hari Adari <srihari.adari@acuite.in> Tel: 040-40042327</p> <p>Naveen Papisetty Analyst - Rating Operations Naveen Papisetty <naveen.papisetty@acuiteratings.in> Tel: 040-40055480</p>	<p>Varsha Bist Manager - Rating Desk Tel: 022-67141160 rating.desk@acuite.in</p>

About Acuité Ratings & Research:

Acuité 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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