



**Press Release**  
**Aradhya Agro Industries**  
**December 18, 2024**  
**Rating Downgraded and Issuer not co-operating**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	15.00	ACUITE B   Downgraded   Issuer not co-operating*	-
<b>Total Outstanding Quantum (Rs. Cr)</b>	15.00	-	-
<b>Total Withdrawn Quantum (Rs. Cr)</b>	0.00	-	-

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

**Rating Rationale**

Acuite has downgraded the long-term rating to ‘**ACUITE B**’ (read as **ACUITE B**) from ‘**ACUITE B+**’ (read as **ACUITE B plus**) on the Rs.15.00 Cr. bank facilities of ARADHYA AGRO INDUSTRIES (AAI) on account of information risk. The rating continues to be flagged as “Issuer Not-Cooperating” and is based on the best available information.

**About the Company**

Aradhya Agro Industries is a Karnataka based partnership firm established in May 2014. The firm was previously established as proprietorship firm and was later converted to a partnership firm in 2015. Mr. I.S. Prasanna, Mr. I.P. Sheela and Mr. I.P. Prasheel are the partners. The firm is engaged in the business of rice milling and trading. The manufacturing facility is located at Davangere. The firm has an installed capacity of 8 tons per hour.

**Unsupported Rating**

Not Applicable

**Non-cooperation by the issuer/borrower:**

Acuite 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. Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating is, therefore, being flagged as “Issuer not-cooperating”, in line with prevailing SEBI regulations and Acuite’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). Acuite endeavored to gather information about the entity/industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on

which the indicative credit rating is based.

### **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."

**Outlook**

Not Applicable

**Other Factors affecting Rating**

None

## Key Financials

Particulars	Unit	FY 20 (Actual)	FY 19 (Actual)
Operating Income	Rs. Cr.	27.10	28.93
PAT	Rs. Cr.	0.32	0.14
PAT Margin	(%)	1.18	0.48
Total Debt/Tangible Net Worth	Times	2.09	2.67
PBDIT/Interest	Times	1.90	1.86

## Status of non-cooperation with previous CRA

Not Applicable

## Any other information

None

## Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Trading Entities: <https://www.acuite.in/view-rating-criteria-61.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

## Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on [www.acuite.in](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
20 Sep 2023	Cash Credit	Long Term	8.50	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	0.35	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	0.25	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Working Capital Term Loan	Long Term	2.00	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Working Capital Demand Loan (WCDL)	Long Term	0.85	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Proposed Long Term Bank Facility	Long Term	3.05	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
23 Jun 2022	Cash Credit	Long Term	8.50	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	0.35	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	0.25	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Working Capital Term Loan	Long Term	2.00	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Working Capital Demand Loan (WCDL)	Long Term	0.85	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Proposed Long Term Bank Facility	Long Term	3.05	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
26 Apr 2021	Cash Credit	Long Term	8.50	ACUITE B+   Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	3.05	ACUITE B+   Stable (Reaffirmed)
	Term Loan	Long Term	0.35	ACUITE B+   Stable (Reaffirmed)
	Term Loan	Long Term	0.25	ACUITE B+   Stable (Reaffirmed)
	Working Capital Demand Loan (WCDL)	Long Term	0.85	ACUITE B+   Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	2.00	ACUITE B+   Stable (Reaffirmed)

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

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Canara Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	8.50	Simple	ACUITE B   Downgraded   Issuer not co-operating* ( from ACUITE B+ )
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	3.05	Simple	ACUITE B   Downgraded   Issuer not co-operating* ( from ACUITE B+ )
Canara Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.35	Simple	ACUITE B   Downgraded   Issuer not co-operating* ( from ACUITE B+ )
Canara Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.25	Simple	ACUITE B   Downgraded   Issuer not co-operating* ( from ACUITE B+ )
Canara Bank	Not avl. / Not appl.	Working Capital Demand Loan (WC DL)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.85	Simple	ACUITE B   Downgraded   Issuer not co-operating* ( from ACUITE B+ )
Canara Bank	Not avl. / Not appl.	Working Capital Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	2.00	Simple	ACUITE B   Downgraded   Issuer not co-operating* ( from ACUITE B+ )

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

## Contacts

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### About Acuité Ratings & Research

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