

## Press Release

**Amba Agro Foods**

**March 09, 2023**



### Rating Reaffirmed & Withdrawn and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
<b>Bank Ratings</b> <b>Loan</b>	20.00	ACUITE B+   Reaffirmed & Withdrawn   Issuer not co-operating*	-
<b>Bank Ratings</b> <b>Loan</b>	4.00	-	ACUITE A4   Reaffirmed & Withdrawn   Issuer not co-operating*
<b>Total Outstanding Quantum (Rs. Cr)</b>	0.00	-	-
<b>Total Withdrawn Quantum (Rs. Cr)</b>	24.00	-	-

### Rating Rationale

Acuite has reaffirmed and withdrawn the long-term rating of '**ACUITE B+**' (read as **ACUITE B Plus**) and the short-term rating of '**ACUITE A4**' (read as **ACUITE A Four**) on the Rs. 24.00 Crore bank facilities of Amba Agro Foods (AAF). The rating continues to be flagged as "Issuer Not Cooperating" and is based on the best available information.

The rating has been withdrawn on account of the request received from the company and NOC received from the banker on Acuite's policy of withdrawal of ratings.

### About the Company

Established in 2008, Amba Agro Foods (AAF) is a Haryana Based partnership firm promoted by Mr. Narinder Kumar and Mr. Ashok Kumar. The firm is engaged in exporting of non-basmati and basmati rice to countries such as Dubai, Qatar and Africa. The firm procures rice from Haryana, Punjab and Uttar Pradesh.

### 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 noncooperation 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 co-operating", 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

### About the Rated Entity - Key Financials

The entity has not shared the latest financial statement for Acuite to comment.

### Rating Sensitivity

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

### Material Covenants

Not Applicable

### Liquidity Position

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

### Outlook

Not Applicable

### Other Factors affecting Rating

Not Applicable

### 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

- Trading Entities: <https://www.acuite.in/view-rating-criteria-61.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

### Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité 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
27 Jul 2022	Warehouse Receipt Financing	Long Term	20.00	ACUITE B+ ( Issuer not co-operating*)
	Packing Credit	Short Term	4.00	ACUITE A4 ( Issuer not co-operating*)
28 Apr 2021	Warehouse Receipt Financing	Long Term	20.00	ACUITE B+ (Issuer not co-operating*)
	Packing Credit	Short Term	4.00	ACUITE A4 (Issuer not co-operating*)
06 Feb 2020	Warehouse Receipt Financing	Long Term	20.00	ACUITE B+ (Issuer not co-operating*)
	Packing Credit	Short Term	4.00	ACUITE A4 (Issuer not co-operating*)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Punjab National Bank	Not Applicable	Packing Credit	Not Applicable	Not Applicable	Not Applicable	Simple	4.00	ACUITE A4   Reaffirmed & Withdrawn   Issuer not co-operating*
Punjab National Bank	Not Applicable	Warehouse Receipt Financing	Not Applicable	Not Applicable	Not Applicable	Simple	20.00	ACUITE B+   Reaffirmed & Withdrawn   Issuer not co-operating*

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### About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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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