

Press Release

Parshva Food International

September 24, 2019

Rating Update



Total Bank Facilities Rated*	Rs. 9.61 Cr. #
Long Term Rating	ACUITE BB Issuer not co-operating*
Short Term Rating	ACUITE A4+ Issuer not co-operating*

Refer Annexure for details

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

Acuité has reviewed the long-term rating of '**ACUITE BB**' (read as **ACUITE double B**) and short-term rating of '**ACUITE A4+**' (read as '**ACUITE A four plus**') on the Rs. 9.61 crore bank facilities of PARSHVA FOOD INTERNATIONAL (PFI). This rating is now an indicative rating and is based on best available information.

Parshva Food International (PFI), a Nagpur-based proprietorship firm was established in 2009 by Mrs. Manju Pravin Choudhary. The firm is engaged in the processing of cashew nuts and manufacturing of candied fruit cubes).

Analytical Approach

Acuité has consolidated business and financial risk profiles of Nakoda Group of Industries Limited (NGIL), Nakoda Fruit Products Private Limited (NFPPL), Parshva Food International (PFI), Parshvanath Overseas (PO) and Nakoda Agro Commodities Private Limited (NACPL) referred as Nakoda Group. This is because the group and sister entities have a common management, similar line of business and have significant financial and operational linkages. Extent of Consolidation: Full

About the group

Nakoda Group was established in 1989 by Mr. Choudhary and family, and led by Mr. Pravin Choudhary. The group is based out of Nagpur (Maharashtra). The group is managing five entities viz. Nakoda Group of Industries Limited (NGIL), Nakoda Fruit Products Private Limited (NFPPL), Parshvanath Overseas (PO), Parshva Food International (PFI) and Nakoda Agro Commodities Private Limited (NACPL). Incorporated in 2013, Nakoda Group is engaged in manufacturing of tutti fruity (Diced Chelory) also called as 'Papaya Preserve' and canned fruit cubes, which comes under the category of bakery products. The group is also engaged in processing of almonds, which are imported from California and other Middle East countries by the traders in Maharashtra. Other business also includes trading of sesame seeds, clove, cutpeel murabba, karonda, daalchini and toor daal.

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>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.htm>
- Financial Ratios and Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>
- Consolidation of Companies - <https://www.acuite.in/view-rating-criteria-22.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	FY18 (Provisional)	FY17 (Actual)	FY16 (Actual)
Operating Income	Rs. Cr.	147.60	104.54	59.97
EBITDA	Rs. Cr.	9.11	6.45	3.16
PAT	Rs. Cr.	2.99	1.88	1.18
EBITDA Margin	(%)	6.18	6.17	5.27
PAT Margin	(%)	2.03	1.80	1.97
ROCE	(%)	10.27	10.69	7.61
Total Debt/Tangible Net Worth	Times	1.86	2.05	1.98
PBDIT/Interest	Times	1.83	1.64	1.90
Total Debt/PBDIT	Times	6.43	6.95	9.13
Gross Current Assets (Days)	Days	191	225	313

As per last rationale uploaded

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

Not Applicable

Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
13-Jul-2018	Cash Credit	Long Term	7.00	ACUITE BB /Stable (Upgraded)
	Term Loan	Long Term	0.61	ACUITE BB /Stable (Upgraded)
	Letter of Credit	Short Term	2.00	ACUITE A4+ (Reaffirmed)
02-Feb-2018	Cash Credit	Long Term	5.00	ACUITE BB- (Indicative)
	Term Loan	Long Term	0.61	ACUITE BB- (Indicative)
	Letter of Credit	Short Term	4.00	ACUITE A4+ (Indicative)
15-Nov-2016	Cash Credit	Long Term	5.00	ACUITE BB- / Stable (Reaffirmed)
	Term Loan	Long Term	0.61	ACUITE BB- / Stable (Reaffirmed)
	Letter of Credit	Short Term	4.00	ACUITE A4+ (Reaffirmed)
27-Nov-2015	Cash Credit	Long Term	5.00	ACUITE BB- / Stable (Upgraded)
	Term Loan	Long Term	0.61	ACUITE BB- / Stable (Upgraded)
	Letter of Credit	Short Term	4.00	ACUITE A4+ (Upgraded)
18-Jul-2014	Cash Credit	Long Term	5.00	ACUITE B+ / Stable (Assigned)
	Term Loan	Long Term	0.61	ACUITE B+ / Stable (Assigned)
	Letter of Credit	Short Term	4.00	ACUITE A4 (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	7.00	ACUITE BB Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.61	ACUITE BB Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4+ Issuer not co-operating*

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

Contacts

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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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