

April 17, 2024

Farmico Commodities Limited (erstwhile Wadhvani Commodities Trading Pvt. Ltd.): Continues to remain under issuer Non-Cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Cash Credit	6.00	6.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING*. Rating Continues to remain under the 'Issuer Not Cooperating' category.
Long Term-Interchangeable	(2.00)	(2.00)	[ICRA]B+(Stable); ISSUER NOT COOPERATING*. Rating Continues to remain under the 'Issuer Not Cooperating' category.
Short Term-Non-Fund Based-Others	9.00	9.00	[ICRA]A4; ISSUER NOT COOPERATING*. Rating Continues to remain under the 'Issuer Not Cooperating' category.
Total	15.00	15.00	

*Issuer did not cooperate; based on best available information.

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has kept the long-term and short term rating of Farmico Commodities Limited (erstwhile Wadhvani Commodities Trading Pvt. Ltd.) in the 'Issuer Not Cooperating' category. The ratings are denoted as [ICRA]B+(Stable)/[ICRA]A4; ISSUER NOT COOPERATING"

As part of its process and in accordance with its rating agreement with Farmico Commodities Limited (erstwhile Wadhvani Commodities Trading Pvt. Ltd.), ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities: [Click here](#) ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

Farmico Commodities Limited (erstwhile Wadhvani Commodities Trading Pvt. Ltd.) was incorporated in 2006 by the Nagpurbased Wadhvani family for trading in different agricultural commodities like spices and dry fruits. The product profile of the company consists of betel nuts, almonds, turmeric powder, white poppy seeds, cloves, rice, chili powder, etc. The Wadhvani Group has been in the business of chili trading and spice processing since 1942. It also provides 2 services such as that of a chili commission agent and operates cold storage units specifically for storing chilies at major chili trading centers like Nagpur (Maharashtra), Guntur (Andhra Pradesh) and Warangal (Telangana).

Key Financial Indicator

	FY2022 (in crore)	FY2023 (in crore)
Operating income	44.8	23.0
PAT	14.4	0.1
OPBDIT/OI	51.4%	23.8%
PAT/OI	32.2%	0.6%
RoCE (%)	43.8%	2.0%
Total outside liabilities/Tangible net worth (times)	1.3	0.9
Total debt/OPBDIT (times)	2.0	4.4
Interest coverage (times)	118.4	4.2

Source: MCA

Status of non-cooperation with previous CRA:

CRA	Status	Date of Release
CRISIL	[CRISIL]B(Stable); ISSUER NOT COOPERATING	February 21, 2024

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2025)				Chronology of Rating History for the past 3 years			
		Type	Amount Rated (Rs. Crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in FY2023	Date & Rating in FY2022	Date & Rating in FY2021	
					Apr 17, 2024				Feb 22, 2023
1	Cash Credit	Long Term	6.00	-	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	
2	Interchangeable	Long Term	(2.00)	-	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	
3	Non-Fund based	Short Term	9.00	-	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Interchangeable	Simple
Non-Fund based	Very Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](#)

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Cash Credit	-	-	-	6.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Interchangeable	-	-	-	(2.00)	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Non-Fund based	-	-	-	9.00	[ICRA]A4; ISSUER NOT COOPERATING

Source: Farmico Commodities Limited (erstwhile Wadhvani Commodities Trading Pvt. Ltd.)

Annexure-2: List of entities considered for consolidated analysis: Not Applicable

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

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Branches



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