

May 20, 2020

Indus Vegpro Private Limited: Rating withdrawn

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term- Term Loan	2.82	2.82	[ICRA]BB (Stable); Withdrawn
Short Term- Fund Based	8.50	8.50	[ICRA]A4+; Withdrawn
Total	11.32	11.32	

[^]Instrument details are provided in Annexure-1

Rationale

The rating assigned to Indus Vegpro Private Limited (IVPL) has been withdrawn at the request of the company, and in accordance with ICRA's policy on withdrawal and suspension. ICRA does not have requisite information to suggest any change in the company's credit risk since the time the rating was last reviewed.

Key rating drivers

Key rating drivers has not been captured as the rated instruments are being withdrawn

Rating sensitivities

Rating sensitivities have not been captured as the rated instrument is being withdrawn.

Liquidity position

Liquidity position has not been captured as the rated instrument is being withdrawn.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology Policy on Withdrawal and Suspension of Credit Rating
Parent/Group Support	Not applicable
Consolidation / Standalone	Not applicable

About the company

IVPL was incorporated in 2013 as a private limited company with its registered office in Davanagere, 250 km from Bangalore. The company was promoted by Mr. G. Girish and Mr. S. Mahadevaiah. IVPL is involved in growing, procuring, processing and exporting of gherkins for the food processing industry. Apart from gherkins, it also exports processed vegetables like cauliflower, selected hot pepper, onions, red bell pepper, garlic and carrots. IVPL is a 100% export-oriented unit and derives a major portion of its revenues from Europe and North America.

The company procures the vegetables through contract farming and has contracted with 1200-1500 farmers holding approximately 800 acres of land. It has seven branches, (at Ranbennur, Harapanahalli, Gutalla, Choorloor, Gowripanur, Chintamani and Hosdurga), which act as supply points for seeds and other raw materials for cultivating gherkins and for procurement and storage for the harvested gherkins. IVPL has a processing plant with 4500-MTPA capacity in Davanagere, Karnataka. In January 2019, it commenced the operations of its second plant with a 4000-MTPA processing capacity at Chikkaballapur, located at 20 km from Bangalore airport.

Key financial indicators: Not applicable

Status of non-cooperation with previous ICRA: Not applicable

Any other information: None

Link to the last Press Release published on ICRA website

Rating history for last three years:

All figures in Rs. Crore

Current Rating (FY2020)					Chronology of Rating History for the past 3 years			
Instrument	Type	Amount Rated	Amount Outstanding (Rs Crore) as on May 14, 2020	Date & Rating in FY2020	Date & Rating in FY2019	Date & Rating in FY2018	Date & Rating in FY2017	
		(Rs. crore)	(Rs. crore)	20-May-20	19-Feb-19	07-Dec-17	14-Dec-16	
1	Term Loan	Long Term	2.82	-	[ICRA]BB (Stable); Withdrawn	[ICRA]BB (Stable)	[ICRA]BB- (Stable)	[ICRA]B+
2	Fund based	Short Term	8.50	-	[ICRA]A4+; Withdrawn	[ICRA]A4+	[ICRA]A4	[ICRA]A4

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

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	Term Loan 1	June 2018	-	August 2025	2.82	[ICRA]BB (Stable); Withdrawn
NA	FDBP/FUBP	December 2017	-	-	4.50	[ICRA]A4+; Withdrawn
NA	PFCF/EPC/FBR/EBD	December 2017	-	-	4.00	[ICRA]A4+; Withdrawn
Total					11.32	

Source: Indus Vegpro Private Limited

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