

## K.K.R. Agro Mills Private Limited

September 01, 2022

### Ratings

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	6.89	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Revised from CARE BB-; Negative (Double B Minus; Outlook: Negative) and moved to ISSUER NOT COOPERATING category
Long Term / Short Term Bank Facilities	60.50	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Revised from CARE BB-; Negative / CARE A4 (Double B Minus ; Outlook: Negative / A Four) and moved to ISSUER NOT COOPERATING category
Short Term Bank Facilities	15.17	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Revised from CARE A4 (A Four) and moved to ISSUER NOT COOPERATING category
<b>Total Bank Facilities</b>	<b>82.56</b> <b>(₹ Eighty-Two</b> <b>Creore and Fifty-</b> <b>Six Lakhs Only)</b>		

Details of instruments/facilities in Annexure-1.

### Detailed Rationale & Key Rating Drivers

CARE has been seeking no default statement from K.K.R. Agro Mills Private Limited (KAM) to monitor the rating vide e-mail communications dated June 30, 2022, July 04, 2022, July 06 2022, July 08, 2022, July 11, 2022, July 14, 2022, July 29, 2022, August 01, 2022, August 03, 2022, August 05, 2022 & August 17, 2022 numerous phone calls. However, despite our repeated requests, the group has not provided the no-default statements/requisite information for monitoring the rating. In the absence of minimum information required for the purpose of rating, CARE is unable to express opinion on the rating. In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of best available information which however, in CARE's opinion is not sufficient to arrive at fair rating. The rating on KAM facilities will now be denoted as 'CARE D ISSUER NOT COOPERATING\*'

### Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

The revision in the rating factors in the ongoing delays in the debt servicing in its term loan and working capital facilities for more than 30 days.

### Detailed description of the key rating drivers

#### Key Rating Weaknesses:

#### **Delay in debt servicing**

CARE as part of its due diligence exercise interacts with various stakeholders of the company including lenders to the company and as part of this exercise has ascertained that there are delays in debt servicing in its term loan and working capital facilities for more than 30 days.

#### **Analytical approach:** Standalone

#### **Applicable Criteria**

[Policy in respect of Non-cooperation by issuer](#)

[Financial Ratios – Non financial Sector](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Policy On Curing Period](#)

[Short Term Instruments](#)

[Manufacturing Companies](#)

[Wholesale Trading](#)

[Policy on default recognition](#)

#### **About the Company**

K.K.R. Agro Mills Pvt Ltd (KAM) is a part of KKR Group based in Okkal Kerala which was established June in 2001 and is engaged in processing of rice and manufacturing of grain flours. KKR group is engaged in processing 11 types of rice and rice products, and exporting them to direct distributors overseas to around 47 countries including USA, UAE, and European countries.

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

Over the years, the group has diversified from rice processing to manufacturing grain flours, spices and curry powders, pickles and ready-to-eat products.

Brief Financials (₹ crore)	March 31, 2020 (A)	March 31, 2021 (A)	March 31, 2022	4MFY23
Total operating income	144.49	107.15	NA	NA
PBILDIT	11.40	4.55	NA	NA
PAT	1.96	-3.67	NA	NA
Overall gearing (times)	2.75	3.31	NA	NA
Interest coverage (times)	1.57	0.64	NA	NA

A: Audited – NA; Not available

**Status of non-cooperation with previous CRA:** Nil

**Any other information:** NIL

**Rating history for last three years:** Please refer Annexure-2

**Covenants of rated instrument/facility:** Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

**Complexity level of various instruments rated for this trust:** Annexure-4

#### Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Non-fund-based - ST-Forward Contract		-	-	-	1.17	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT/ ST-Working Capital Limits		-	-	-	60.50	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Working capital Term Loan		-	-	April 2022	5.54	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	14.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	April 2022	1.35	CARE D; ISSUER NOT COOPERATING*

## Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Non-fund-based - ST-Forward Contract	ST	1.17	CARE D; ISSUER NOT COOPERATING*	-	1)CARE A4 (04-Mar-22) 2)CARE A4 (01-Apr-21)	-	1)CARE A4 (31-Mar-20)
2	Fund-based - LT/ST-Working Capital Limits	LT/ST*	60.50	CARE D; ISSUER NOT COOPERATING*	-	1)CARE BB-; Negative / CARE A4 (04-Mar-22) 2)CARE BB; Stable / CARE A4 (01-Apr-21)	-	1)CARE BB; Stable / CARE A4 (31-Mar-20)
3	Fund-based - LT-Working capital Term Loan	LT	5.54	CARE D; ISSUER NOT COOPERATING*	-	1)CARE BB-; Negative (04-Mar-22) 2)CARE BB; Stable (01-Apr-21)	-	1)CARE BB; Stable (31-Mar-20)
4	Non-fund-based - ST-Bank Guarantee	ST	14.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE A4 (04-Mar-22) 2)CARE A4 (01-Apr-21)	-	1)CARE A4 (31-Mar-20)
5	Fund-based - LT-Term Loan	LT	1.35	CARE D; ISSUER NOT COOPERATING*	-	1)CARE BB-; Negative (04-Mar-22) 2)CARE BB; Stable (01-Apr-21)	-	-

\*Long term/Short term.

## Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities : Not Applicable

**Annexure-4: Complexity level of various instruments rated for this company**

Sr. No.	Name of Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple
2	Fund-based - LT-Working capital Term Loan	Simple
3	Fund-based - LT/ ST-Working Capital Limits	Simple
4	Non-fund-based - ST-Bank Guarantee	Simple
5	Non-fund-based - ST-Forward Contract	Simple

**Annexure-5: Bank lender details for this company**

To view the lender wise details of bank facilities please [click here](#)

**Note on complexity levels of the rated instruments:** CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

## Contact us

### Media Contact

Name: Mradul Mishra  
Contact no.: +91-22-6754 3573  
Email ID: [mradul.mishra@careedge.in](mailto:mradul.mishra@careedge.in)

### Analyst Contact

Name: Swathi Subramanian  
Contact no.: +91-94442 34834  
Email ID: [swathi.subramanian@careedge.in](mailto:swathi.subramanian@careedge.in)

### Relationship Contact

Name: Pradeep Kumar V  
Contact no.: +91-98407 54521  
Email ID: [pradeep.kumar@careedge.in](mailto:pradeep.kumar@careedge.in)

### About CARE Ratings Limited:

Established in 1993, CARE Ratings Ltd. is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India (SEBI), it has also been acknowledged as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). With an equitable position in the Indian capital market, CARE Ratings Limited provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions backed by knowledge and assessment provided by the company.

With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

### Disclaimer

The ratings issued by CARE Ratings Limited are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings Limited has based its ratings/outlooks based on information obtained from reliable and credible sources. CARE Ratings Limited does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings Limited have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings Limited or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE Ratings Limited is, inter-alia, based on the capital deployed by the partners/proprietor and the current financial strength of the firm. The rating/outlook may undergo a change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE Ratings Limited is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE Ratings Limited's rating.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

**\*\*For detailed Rationale Report and subscription information, please contact us at [www.careedge.in](http://www.careedge.in)**