

## Ferozepur Foods Energy Private Limited

December 01, 2021

### Ratings

Facilities / Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Short Term Bank Facilities	0.69	<b>CARE A4; ISSUER NOT COOPERATING* (A Four ISSUER NOT COOPERATING*)</b>	Rating continues to remain under ISSUER NOT COOPERATING category
<b>Total Facilities</b>	<b>0.69 (Rs. Sixty-Nine Lakhs Only)</b>		

*Details of facilities in Annexure-1*

### Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated December 21, 2020, placed the rating(s) of Ferozepur Foods Energy Private Limited (FFEPL) under the 'issuer non-cooperating' category as FFEPL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. FFEPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated November 06, 2021, November 16, 2021, November 26, 2021.

In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE's opinion is not sufficient to arrive at a fair rating.

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

### Detailed description of the key rating drivers

*Please refer to PR dated [December 21, 2020](#)*

**Analytical approach:** Standalone

### Applicable Criteria:

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

[Policy on default recognition](#)

### About the company

Incorporated in 2010, Ferozepur Foods Energy Private Limited (FFEPL) was engaged in the processing of paddy to produce basmati rice as well as its by-products like bardana, bran, husk, etc, since the commencement of its manufacturing operations in January-2016. Prior to that, the company was engaged in the trading of rice since FY15. The company operated from a single manufacturing facility in Ferozepur, Punjab. However, in FY18, the company had sold its manufacturing facilities limiting its operations to trading of rice only.

Brief financials of FFEPL are tabulated below:

Brief Financials (Rs. crore)	FY19 (A)	FY20 (A)
Total operating income	7.33	0.45
PBILDT	0.11	-2.85
PAT	0.03	-3.22
Overall gearing (times)	0.00	0.00
Interest coverage (times)	1.58	NM

*A: Audited; NM: Not Meaningful*

**Status of non-cooperation with previous CRA:** Not Applicable

**Any other information:** Not Applicable

**Disclosure of Interest of Independent/Non-Executive Directors, Managing Director & CEO:** Not Applicable

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

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and in other CARE publications

\*Issuer did not cooperate; Based on best available information

**Covenants of rated instrument/facility:** Annexure -3

**Complexity level of various instruments rated for this Company:** Please refer Annexure-4

**Annexure-1: Details of Instruments/Facilities**

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Non-fund-based - ST-Bank Guarantees	-	-	-	0.69	CARE A4; ISSUER NOT COOPERATING*

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

**Annexure-2: Rating History of last three years**

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1	Fund-based - LT-Term Loan	LT	-	-	-	-	1)Withdrawn (26-Sep-19)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (02-Apr-18)
2	Fund-based - LT/ ST-Working Capital Limits	LT/ST*	-	-	-	-	1)Withdrawn (26-Sep-19)	1)CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING* (02-Apr-18)
3	Non-fund-based - ST-Bank Guarantees	ST	0.69	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (21-Dec-20)	1)CARE A4; ISSUER NOT COOPERATING* (26-Sep-19)	1)CARE A4; ISSUER NOT COOPERATING* (02-Apr-18)

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

**Annexure 3: Covenants of rated instrument/facility:** Not Applicable

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

Sr. No	Name of instrument	Complexity level
1	Non-fund-based - ST-Bank Guarantees	Simple

**Note on complexity levels of the rated instrument:** CARE has classified instruments rated by it on the basis of complexity. This classification is available at [www.careratings.com](http://www.careratings.com). Investors/market intermediaries/regulators or others are welcome to write to [care@careratings.com](mailto:care@careratings.com) for any clarifications.

## Contact us

### Media Contact

Mr. Mradul Mishra  
Contact No.: +91-22-6754 3573  
Email ID – [mradul.mishra@careratings.com](mailto:mradul.mishra@careratings.com)

### Analyst Contact

Ms. Shachee Vyas  
Contact No.: +91-79-4026 5665  
Email ID – [shachee.tripathi@careratings.com](mailto:shachee.tripathi@careratings.com)

### Relationship Contact

Ms. Swati Agrawal  
Contact No.: +91-11-45333237  
Email ID – [swati.agrawal@careratings.com](mailto:swati.agrawal@careratings.com)

### About CARE Ratings:

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### Disclaimer

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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.careratings.com](http://www.careratings.com)**