

Annai Flour Mills Private Limited (Revised)

August 04, 2022

Ratings

Facilities/Instruments	Amount (Rs crore)	Rating ¹	Rating Action
Long Term Bank Facilities	15.00	CARE B+; Stable; ISSUER NOT COOPERATING* (Single B Plus; Outlook: Stable; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB-; Stable; (Double B Minus; Outlook: Stable)
Total Bank Facilities	15.00 (Rs Fifteen Crore Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated June 01, 2021, placed the rating(s) of Annai Flour Mills Private Limited (AFMPL) under the 'issuer non-cooperating' category as AFMPL 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. AFMPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated April 17, 2022, April 27, 2022, May 07, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'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(s).

The ratings assigned to the bank facilities of AFMPL have been revised on account of non-availability of requisite information. The ratings further consider decline in scale of operations and overall profitability during FY21 over FY20.

Detailed description of the key rating drivers

Please refer to PR dated [June 01, 2021](#)

Analytical approach: Standalone

Applicable Criteria

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

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

About the Company

AFMPL belongs to Annai group and was incorporated in August 1996. AFMPL is engaged in manufacturing and trading of flour (atta, maida, sooji and bran) under the brand name "Annai's". The promoters of the company are Mr. S Suvindran (Managing Director), Mr. S S Ravindran, Mr. S Mahendran, Mr. V S Sundarlingam and Ms. S Annarathinammal. The company owns a fully automated mill in Siruvedal Village, Kancheepuram with a capacity to process about 200 tonnes of wheat per day and presently utilizes about 80% of the same. AFMPL has its storage capacity of 15,000 tons in the manufacturing premises. Mr. S Suvindran manages the day to day operations. AFMPL has two wind mills in Nagarcoil, Tamil Nadu with an aggregate capacity of 500 KW.

Brief Financials (Rs. crore)	FY20 (A)	FY21 (A)	FY22 (Prov.)	Q1FY23 (Prov.)
Total operating income	107.22	80.23	NA	NA
PBILDT	3.77	2.54	NA	NA
PAT	1.99	1.44	NA	NA
Overall gearing (times)	0.81	0.32	NA	NA
Interest coverage (times)	3.55	5.38	NA	NA

A: Audited; Prov.: Provisional; NA: Not Available

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

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

Covenants of rated instrument/facility: Annexure-3

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

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Bank Overdraft		-	-	-	15.00	CARE B+; Stable; 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) 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	Fund-based - LT-Bank Overdraft	LT	15.00	CARE B+; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (01-Jun-21)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (02-Jun-20)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (30-Apr-19)

**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 the Instrument	Complexity Level
1	Fund-based - LT-Bank Overdraft	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 instrument: CARE 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**

Mr. Mradul Mishra

Contact No.: +91-22-6837 4424

Email ID – mradul.mishra@careedge.in

Analyst Contact

Ms. Shachee Vyas

Contact No.: +91-79-4026 5665

Email ID – shachee.tripathi@careedge.in

Relationship Contact

Name: Pradeep Kumar V

Phone: +91-98407 54521

E-mail: 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.

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