

Koner Food Product

March 07, 2022

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	8.90	CARE B-; Stable; ISSUER NOT COOPERATING* (Single B Minus; Outlook: Stable; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B; Stable; (Single B; Outlook: Stable)
Short Term Bank Facilities	0.45	CARE A4; ISSUER NOT COOPERATING* (A Four; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	9.35 (Rs. Nine Crore and Thirty- Five Lakhs Only)		

Details of facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated January 25, 2021, placed the rating(s) of Koner Food Product (KFP) under the 'issuer non-cooperating' category as KFP 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. KFP continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated December 11, 2021, February 28, 2022 and March 02, 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 KFP have been revised on account of non-availability of requisite information.

Detailed description of the key rating drivers

Please refer to PR dated [January 25, 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 Firm

Koner Food Product (KFP) was established in the July 2015. The firm is engaged in manufacturing of raw rice and parboiled rice. The milling unit of KFP is located at Burdwan, West Bengal with processing capacity of 5,400 Metric Ton Per Annum (MTPA). The firm is promoted by Burdwan based Mr. Uttam Koner, who has a long experience in the rice milling industry. KFP procures paddy from farmers & local agents and sells its products through the wholesalers and distributors located in West Bengal. The Firm sells the products under the brand name 'Trishool'. The firm was engaged in the expansion of its rice milling unit with an additional proposed installed capacity of 14,400 metric tonne per annum (MTPA). The project was estimated to be set up at a cost of Rs.8.03 crore, to be financed by way of partner's contribution of Rs.3.13 crore and term loan of Rs.4.90 crore. The term loan was under consideration by the banker. The project was expected to be operational from February, 2019. Mr. Uttam Koner (aged, 58 years) having more than two decade of experience, Mr. Priyabrata Koner (aged, 32 years) having 06 years of experience and Mr. Arnab Koner (aged, 25 years) having 04 years of experience in similar line of business, looks after the day to day operations of the firm along with other partners and a team of persons who have rich experience in the similar line of business.

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

Brief Financials (Rs. crore)	31-03-2020 (A)	31-03-2021(A)	9MFY22 (Prov.)
Total operating income	NA	NA	NA
PBILDT	NA	NA	NA
PAT	NA	NA	NA
Overall gearing (times)	NA	NA	NA
Interest Coverage (times)	NA	NA	NA

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

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 firm: 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-Cash Credit		-	-	-	4.00	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	-	4.90	CARE B-; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	0.45	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-Cash Credit	LT	4.00	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (25-Jan-21)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (06-Nov-19)	1)CARE B+; Stable (27-Aug-18)
2	Fund-based - LT-Term Loan	LT	4.90	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (25-Jan-21)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (06-Nov-19)	1)CARE B+; Stable (27-Aug-18)
3	Non-fund-based - ST-Bank Guarantee	ST	0.45	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (25-Jan-21)	1)CARE A4; ISSUER NOT COOPERATING* (06-Nov-19)	1)CARE A4 (27-Aug-18)

*Issuer did not cooperate; based on best available information

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

Annexure 4: Complexity level of various instruments rated for this firm

Sr. No	Name of instrument	Complexity level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - ST-Bank Guarantee	Simple

Annexure 5: Bank Lender Details for this Firm

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.

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About CARE Ratings:

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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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