

M L Agrofoods Private Limited

April 07, 2022

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	8.25	CARE B; Stable; ISSUER NOT COOPERATING* (Single B; Outlook: Stable ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	0.02	CARE A4; ISSUER NOT COOPERATING* (A Four ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	8.27 (Rs. Eight Crore and Twenty-Seven Lakhs Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated February 10, 2021, placed the rating(s) of M L Agrofoods Private Limited (MLAPL) under the 'issuer non-cooperating' category as MLAPL 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. MLAPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated December 27, 2021, January 06, 2022 and January 16, 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).

Detailed description of the key rating drivers

Please refer to PR dated [February 10, 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

Udaipur (Rajasthan) based MLAPL was incorporated in April 25, 2013 by Agrawal family. The company is engaged in processing of wheat and products of the company includes such as suji, meda, atta, rawa and others. The processing facility of MLAPL is located at Udaipur with installed capacity of 1800 quintal per day and has utilized 80% of capacity in FY19. MLAPL procures raw material from domestic market mainly from Kota, Delhi and Uttar Pradesh and sells its finished products to wholesalers through brokers under the brand name 'Ujwal'. The company sells its products mainly in Udaipur and Gujarat. The company group company named Shree Karni Suraj Rice and Dall Mill is also engaged in same line of business and the firm started its operation since 1994.

Brief financials of MLAPL are as follows:

Brief Financials (Rs. crore)	FY20 (A)	FY21 (A)	FY22 (Prov.)
Total operating income	129.58	125.30	NA
PBILDT	1.86	2.06	NA
PAT	0.27	0.54	NA
Overall gearing (times)	5.96	5.82	NA
Interest coverage (times)	2.16	2.55	NA

A: Audited, Prov.: Provisional, NA – Not available

¹Complete definitions of the ratings assigned are available at www.careedge.in and in other CARE publications

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

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: Please refer 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	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan		-	-	November, 2022	0.75	CARE B; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit		-	-	-	5.50	CARE B; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Working Capital Limits		-	-	-	2.00	CARE B; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	0.02	CARE A4; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating History of last three years

S r . N o .	Name of the Instrument/ Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2022-2023	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	0.75	CARE B; Stable; ISSUER NOT COOPERATING*	-	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (10-Feb-21)	1)CARE B+; Stable (25-Dec-19)
2	Fund-based - LT-Cash Credit	LT	5.50	CARE B; Stable; ISSUER NOT COOPERATING*	-	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (10-Feb-21)	1)CARE B+; Stable (25-Dec-19)
3	Fund-based - LT-Working Capital Limits	LT	2.00	CARE B; Stable; ISSUER NOT COOPERATING*	-	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (10-Feb-21)	1)CARE B+; Stable (25-Dec-19)
4	Non-fund-based - ST-Bank Guarantee	ST	0.02	CARE A4; ISSUER NOT COOPERATING*	-	-	1)CARE A4; ISSUER NOT COOPERATING* (10-Feb-21)	1)CARE A4 (25-Dec-19)

*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 company

Sr. No	Name of instrument	Complexity level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Fund-based - LT-Working Capital Limits	Simple
4	Non-fund-based - ST-Bank Guarantee	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 Ratings Ltd. 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 Limited:

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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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