

## King Refineries Private Limited

October 10, 2022

### Ratings

Facilities/Instruments	Amount (Rs crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	3.00	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	4.00	CARE A4; ISSUER NOT COOPERATING* (A Four; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
<b>Total Bank Facilities</b>	<b>7.00 (Rs Seven Crore Only)</b>		

Details of instruments/facilities in Annexure-1

### Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated August 06, 2021, placed the rating(s) of King Refineries Private Limited (KRPL) under the 'issuer non-cooperating' category as KRPL 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. KRPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated June 22, 2022, July 02, 2022, July 12, 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 KRPL have been revised on account of non-availability of requisite information. The ratings further consider decline in operating income, overall profitability, declined capital structure and debt coverage indicators during FY21 over FY20.

### Detailed description of the key rating drivers

Please refer to PR dated [August 06, 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

King Refineries Private Limited (KRPL) was incorporated in July 1994 by Mr. S.A. Arumugam, Managing Director; who has got more than five decades of experience in edible oil refining industry. KRPL is engaged in the business of edible oil refining. The day to day operations are managed by the directors, Mr. Venkatachalam and Mr. M. Abinand. KRPL procures crude oil (sunflower oil, ground nut oil and cotton seed oil) from local traders in Tamil Nadu. Apart from the same, KRPL also started importing oil (crude sunflower oil) from Ukraine since October 2015.

<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

Brief Financials (Rs. crore)	FY20 (A)	FY21 (A)	FY22 (Prov.)	H1FY23 (Prov.)
Total operating income	67.47	62.28	NA	NA
PBILDT	1.56	1.45	NA	NA
PAT	0.54	0.48	NA	NA
Overall gearing (times)	1.49	1.52	NA	NA
Interest coverage (times)	3.00	2.55	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 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-Cash Credit		-	-	-	3.00	CARE B-; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit		-	-	-	4.00	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) 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-Cash Credit	LT	3.00	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (06-Aug-21)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (23-Jul-20)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (27-May-19)
2	Non-fund-based - ST-Letter of credit	ST	4.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (06-Aug-21)	1)CARE A4; ISSUER NOT COOPERATING* (23-Jul-20)	1)CARE A4; ISSUER NOT COOPERATING* (27-May-19)

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

**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 the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Non-fund-based - ST-Letter of credit	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](mailto: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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