

Kohinoor Foods Limited

July 13, 2021

Ratings

Facilities/Instruments	Amount (Rs. crore)	Ratings	Rating Action
Long Term Bank Facilities	199.50	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	747.30	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	946.80 (Rs. Nine Hundred Forty- Six Crore and Eighty Lakhs Only)		

Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated June 15, 2020, continues to place the ratings of Kohinoor Foods Limited under the 'issuer non-cooperating' category as the company had failed to provide information for monitoring of the rating as agreed to in its Rating Agreement. Kohinoor Foods Limited continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter dated May 21, 2021, May 11, 2021 and May 01, 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 ratings.

The ratings on bank facilities of Kohinoor Foods Limited will be denoted as **CARE D; Issuer not cooperating**

Detailed description of the key rating drivers

Please refer PR dated [April 15, 2020](#)

Analytical approach: Standalone

Applicable Criteria

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

[CARE's Policy on Default Recognition](#)

About the Company

Incorporated in 1989, Kohinoor Foods Ltd (KFL) is engaged in the milling, processing and selling of rice, and trading of food products and other agri-commodities. The company has a rice mill located at Murthal (Haryana) with total installed capacity of 50 metric tonne per hour (MTPH) and a food processing unit at Sonapat (Haryana) with inhouse production capacity of 75,000 ready meals per day as on March 31, 2018. Over the years, KFL has emerged as one of the dominant Indian players in the global basmati rice market. KFL has established its brand both in India and abroad in geographies like USA, UK, Middle Eastern countries, Australia, Belgium and other European countries.

Covenants of rated instrument/facility: *Details explanation of covenants of the rated instruments/facilities is given in Annexure-3*

Brief Financials (Rs. crore)	FY19(A)	FY20(A)
Total operating income	405.56	32.27
PBILDT	-216.48	-11.24
PAT	-385.57	-225.77
Overall gearing (times)	NM	NM
Interest coverage (times)	-9.42	-3.97

A: Audited

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	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	199.50	CARE D; ISSUER NOT COOPERATING*
Fund-based - ST-EPC/PSC	-	-	-	507.25	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-BG/LC	-	-	-	148.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - ST-Bills discounting/ Bills purchasing	-	-	-	92.05	CARE D; ISSUER NOT COOPERATING*

*Issuer not cooperating; 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	199.50	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (15-Jun-20)	-	1)CARE D; ISSUER NOT COOPERATING* (04-Mar-19) 2)CARE D (16-Apr-18)
2.	Fund-based - ST-EPC/PSC	ST	507.25	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (15-Jun-20)	-	1)CARE D; ISSUER NOT COOPERATING* (04-Mar-19) 2)CARE D (16-Apr-18)
3.	Non-fund-based - ST-BG/LC	ST	148.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (15-Jun-20)	-	1)CARE D; ISSUER NOT COOPERATING* (04-Mar-19) 2)CARE D (16-Apr-18)
4.	Fund-based - ST-Bills discounting/ Bills purchasing	ST	92.05	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (15-Jun-20)	-	1)CARE D; ISSUER NOT COOPERATING* (04-Mar-19) 2)CARE D (16-Apr-18)

*Issuer not cooperating; Based on best available information

Annexure-3: Detailed explanation of covenants of the rated instrument / facilities: NA
Annexure 4: Complexity level of various instruments rated for this company/firm

Sr. No.	Name of the Instrument	Complexity Level
1.	Fund-based - LT-Cash Credit	Simple
2.	Fund-based - ST-Bills discounting/ Bills purchasing	Simple
3.	Fund-based - ST-EPC/PSC	Simple
4.	Non-fund-based - ST-BG/LC	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. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

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