

Arvind Kumar Nand Kumar Limited

October 14, 2022

Ratings

| Facilities/Instruments | Amount (₹ crore) | Rating ¹ | Rating Action |
|------------------------------|--|--|--|
| Long Term Bank Facilities | 5.49 | CARE C; Stable; ISSUER NOT COOPERATING* (Single C; Outlook: Stable ISSUER NOT COOPERATING*) | Rating continues to remain under ISSUER NOT COOPERATING category |
| Short Term Bank Facilities | 0.51 | CARE A4; ISSUER NOT COOPERATING* (A Four ISSUER NOT COOPERATING*) | Rating continues to remain under ISSUER NOT COOPERATING category |
| Total Bank Facilities | 6.00 (₹ Six Crore Only) | | |

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated August 12, 2021, placed the rating(s) of Arvind Kumar Nand Kumar Limited (AKNKL) under the 'issuer non-cooperating' category as AKNKL 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. AKNKL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated June 28, 2022, July 08, 2022, July 18, 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 [August 12, 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

Arvind Kumar Nand Kumar Limited (AKNKL) was promoted by Mr. P. D. Bhattar along with his brother Mr. H. D. Bhattar in 1973 as a private limited company. Then after in the year 1981, it was converted into public limited company. AKNKL is engaged in the milling and processing of rice at its processing plant located at Kolkata and production of PCC poles at its plant located at Jaipur since incorporation.

| Brief Financials (₹ crore) | FY20 (A) | FY21 (A) | FY22 (Prov.) | H1FY23 (Prov.) |
|----------------------------|----------|----------|--------------|----------------|
| Total operating income | 9.85 | 9.27 | NA | NA |
| PBILDT | 0.45 | 0.65 | NA | NA |
| PAT | -0.35 | 0.04 | NA | NA |
| Overall gearing (times) | 2.62 | 2.49 | NA | NA |
| Interest coverage (times) | 0.77 | 1.03 | 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: Please refer Annexure-3

² Complete definition of the ratings assigned are available at www.careedge.in and other CARE publications

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

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 (₹ crore) | Rating Assigned along with Rating Outlook |
|------------------------------------|------|------------------|-----------------|---------------|-----------------------------|---|
| Fund-based - LT-Term Loan | | - | - | March 2021 | 5.49 | CARE C; Stable; ISSUER NOT COOPERATING* |
| Non-fund-based - ST-Bank Guarantee | | - | - | - | 0.51 | CARE A4; ISSUER NOT COOPERATING* |

*Issuer did not cooperate; based on best available information

Annexure-2: Rating history for the last three years

| Sr. No. | Name of the Instrument / Bank Facilities | Current Ratings | | | Rating History | | | |
|---------|--|-----------------|------------------------------|--|---|---|--|---|
| | | Type | Amount Outstanding (₹ 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-Term Loan | LT | 5.49 | CARE C; Stable; ISSUER NOT COOPERATING * | - | 1)CARE C; Stable; ISSUER NOT COOPERATING* (12-Aug-21) | 1)CARE B-; Stable; ISSUER NOT COOPERATING* (16-Jun-20) | 1)CARE B; Stable; ISSUER NOT COOPERATING* (27-May-19) |
| 2 | Non-fund-based - ST-Bank Guarantee | ST | 0.51 | CARE A4; ISSUER NOT COOPERATING * | - | 1)CARE A4; ISSUER NOT COOPERATING* (12-Aug-21) | 1)CARE A4; ISSUER NOT COOPERATING* (16-Jun-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 Instrument | Complexity Level |
|---------|------------------------------------|------------------|
| 1 | Fund-based - LT-Term Loan | Simple |
| 2 | 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 has classified instruments rated by it on the basis of complexity. This classification is available at www.careedge.in. 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.: +91-22-6754 3596
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

Mr. Deepak Purshottambhai Prajapati
Contact no.: +91-79-4026 5656
Email ID – deepak.prajapati@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.

Disclaimer

The ratings issued by CARE Ratings Limited are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings Limited has based its ratings/outlooks based on information obtained from reliable and credible sources. CARE Ratings Limited does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings Limited have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings Limited or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE Ratings Limited is, inter-alia, based on the capital deployed by the partners/proprietor and the current financial strength of the firm. The rating/outlook may undergo a change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE Ratings Limited is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE Ratings Limited's rating.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades

****For detailed Rationale Report and subscription information, please contact us at www.careedge.in**