

Hemkunt Rice Mills Private Limited

May 17, 2022

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	7.31	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	0.11	CARE A4; ISSUER NOT COOPERATING* (A Four; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	7.42 (Rs. Seven Crore and Forty-Two Lakhs Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated February 22, 2021, placed the rating(s) of Hemkunt Rice Mills Private Limited (HRMPL) under the 'issuer non-cooperating' category as HRMPL 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. HRMPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated January 08, 2022, January 18, 2022, January 28, 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 22, 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

Incorporated in May 2005, Hemkunt Rice Mills Private Limited (HRMPL) is engaged in rice milling activities with its manufacturing facilities located at Ranchi Patna Road, Near Dental College, Hazaribag – 825301 with aggregate installed capacity of 50,820 Metric ton per Annum (MTPA). The company was promoted by Mr. Manjeet Singh Karla and Mr. Dina Nath Yadendra. Mr. Manjeet Singh Karla and Mr. Dina Nath Yadendra has experience around three decades in cold storage industry, looks after the overall management of the company. They are supported by other director Mr. Swaranpal Singh Kalra who also has around six years of experience in this line of business. The promoters are supported by a team of experienced professionals.

Brief Financials (Rs. crore)	31-03-2020(A)	31-03-2021(A)	31-03-2022(Prov.)
Total operating income	66.00	68.96	NA
PBILDT	2.54	2.31	NA
PAT	0.30	0.50	NA
Overall gearing (times)	1.24	1.37	NA
Interest coverage (times)	3.50	5.20	NA

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

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

Status of non-cooperation with previous CRA: CRISIL has put the rating assigned to the bank facilities of HRMPL rating into Issuer Not Cooperating category vide press release dated April 25, 2022 on account of its inability to carry out a review in the absence of the requisite information from the company.

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		-	-	-	7.00	CARE B; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	June 2021	0.31	CARE B; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit		-	-	-	0.11	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 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-Cash Credit	LT	7.00	CARE B; Stable; ISSUER NOT COOPERATING*	-	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (22-Feb-21)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (16-Dec-19)
2	Fund-based - LT-Term Loan	LT	0.31	CARE B; Stable; ISSUER NOT COOPERATING*	-	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (22-Feb-21)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (16-Dec-19)
3	Non-fund-based - ST-Letter of credit	ST	0.11	CARE A4; ISSUER NOT COOPERATING*	-	-	1)CARE A4; ISSUER NOT COOPERATING* (22-Feb-21)	1)CARE A4; ISSUER NOT COOPERATING* (16-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	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 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.

Contact us

Media Contact

Name – Mr. Mradul Mishra
Contact no. - +91-22-6754 3596
Email ID - mradul.mishra@careedge.in

Analyst Contact

Group Head Name - Shachee Nakul Vyas
Group Head Contact no.- 8511182592
Group Head Email ID - shachee.tripathi@careedge.in

Relationship Contact

Name -Lalit Sikaria
Contact no. -9830386869
Email ID: lalit.sikaria@careedge.in

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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