

Vardhman Roller Flour Mills Private Limited

June 17, 2021

Ratings

Facilities/Instruments	Amount (Rs. crore)	Ratings	Rating Action
Long Term Bank Facilities	31.90	CARE B-; Stable; ISSUER NOT COOPERATING* (Single B Minus; Outlook: Stable ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	31.90 (Rs. Thirty-One Crore and Ninety Lakhs Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated May 06, 2020, continues to place the rating of Vardhman Roller Flour Mills Private Limited under the 'Issuer Non-Cooperating' category as the company had failed to provide the requisite information required for monitoring of the rating as agreed to in its rating agreement. Vardhman Roller Flour Mills Private Limited continues to be non-cooperative despite repeated requests for submission of information through e-mails dated April 11, 2021 & March 22, 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 Vardhman Flour Mills Private Limited's bank facilities will now be denoted as **CARE B-; Stable; ISSUER NOT COOPERATING**.

Detailed description of the key rating drivers

Please refer PR dated [May 06, 2020](#)

Analytical approach: Standalone

Applicable Criteria

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

[Criteria on assigning Outlook and Credit Watch to Credit Ratings](#)

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

About the Company

Vardhman Roller Flour Mills Private Limited (VRFM), originally promoted by Mr. Ashok Kumar Jain was incorporated on Feb 27, 1997. Later on Mr. Rajesh Kumar Jain on March 03, 1997 & Mr. Manoj Kumar Gupta on March 16, 2010 respectively were appointed as other Directors of company. The company is engaged in manufacturing of maida, suji, atta & bran and sells with branded name "Double Kalash". It has two manufacturing facilities with one located at Mohkampur Industrial Area and other at Faridpur, Bareilly. VRFM have total installed capacity of 75000MT as on November 01, 2017 for manufacturing atta, maida, choker (barn), suji and others.

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

Brief Financials (Rs. crore)	FY16 (A)	FY17 (A)
Total operating income	111.81	138.25
PBILD	4.33	4.26
PAT	1.13	1.09
Overall gearing (times)	5.28	4.96
Interest coverage (times)	1.55	1.50

A: Audited

Status of non-cooperation with previous CRA: Vardhman Roller Flour Mills Private Limited has not cooperated with ICRA which has classified it as issuer not cooperative vide Press release dated July 27, 2020. The reason provided by ICRA is of non-submission of information by 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	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	-	January 2017	6.00	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit	-	-	-	25.90	CARE B-; Stable; 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-Term Loan	LT	6.00	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (06-May-20)	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (17-Dec-18)
2.	Fund-based - LT-Cash Credit	LT	25.90	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (06-May-20)	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (17-Dec-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 - LT-Term Loan	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.

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