

Global Dhall Industries

June 17, 2021

Rating

Facilities/Instruments	Amount (Rs. crore)	Ratings	Rating Action
Long Term Bank Facilities	17.00	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)
Total Bank Facilities	17.00 (Rs. Seventeen Creore Only)		

Details of instruments/facilities in Annexure

Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated April 28, 2020, placed the rating(s) of Global Dhall Industries under the 'issuer non-cooperating' category as Global Dhall Industries 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. Global Dhall Industries continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and emails dated March 15, 2021, March 24, 2021 and March 29, 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 rating(s).

The ratings have been revised on account of non-availability of requisite information due to non-cooperation by of Global Dhall Industries with CARE's effort to undertake a review of the outstanding ratings as CARE views information availability risk as key factor in its assessment of credit risk profile

Detailed description of the key rating drivers

Please refer to PR dated April 28, 2020

<https://www.careratings.com/upload/CompanyFiles/PR/Global%20Dhall%20Industries-04-28-2020.pdf>

Analytical Approach: Standalone

Applicable Criteria

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

[Criteria on assigning Outlook to Credit ratings](#)

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

[Financial ratios – Non-Financial Sector](#)

[Rating Methodology-Manufacturing Companies](#)

About the Firm

Global Dhall Industries (GDI) was established in 2007 as partnership firm by Mr. S. Chandrashekar and Mr. Manikprabhu V. Raghoeji. The firm is engaged in processing & trading of toor and urad dal processing at its processing facilities located at Kalaburgi in Karnataka. The plant possesses certification of ISO 9001:2008 for quality management and ISO 22000:2005 for food safety management. The resultant products, viz. processed urad and toor dals, are in-turn sold to the wholesalers and retailers of food items from Karnataka, Tamil Nadu and Kerala. The firm sells dal under the brand names of Dove Premium Gold Sortexed Orid Dhall, Dove Premium Gold Sortexed Gundu Orid Dhall and Dove Premium Gold Sortexed Toor Dhall. On the other hand, the raw pulses are procured from the traders of various agro-commodities located in Maharashtra, Karnataka, Andhra Pradesh and Tamil Nadu.

Brief Financials (Rs. crore)	FY16 (A)	FY17 (A)
Total operating income	62.43	83.76
PBILD	2.63	2.67
PAT	0.14	0.21
Overall gearing (times)	2.70	2.46
Interest coverage (times)	1.61	1.61

A: Audited

Status of non-cooperation with previous CRA: BRICKWORKS has placed the ratings of Global Dhall Industries under Issuer not cooperating u as per the PR dated May 18,2021.

Any other information: Not applicable

Rating History for last three years: Please refer Annexure-2

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	-	-	-	13.25	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan	-	-	March 2018	0.11	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan	-	-	May, 2022	0.87	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Proposed fund based limits	-	-	-	2.77	CARE B-; Stable; 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 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	13.25	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (28-Apr-20)	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (25-Mar-19)
2.	Fund-based - LT-Term Loan	LT	0.11	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (28-Apr-20)	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (25-Mar-19)
3.	Fund-based - LT-Term Loan	LT	0.87	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (28-Apr-20)	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (25-Mar-19)
4.	Fund-based - LT-Proposed fund based limits	LT	2.77	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (28-Apr-20)	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (25-Mar-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 the Instrument	Complexity Level
1.	Fund-based - LT-Cash Credit	Simple
2.	Fund-based - LT-Proposed fund based limits	Simple
3.	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.

Disclaimer

CARE's ratings 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. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo 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 is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE'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.

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