

Koner Food Product

June 26, 2024

| Facilities/Instruments | Amount (₹ crore) | Rating ¹ | Rating Action |
|----------------------------|------------------|--|--|
| Long Term Bank Facilities | 8.90 | CARE B-; Stable; ISSUER NOT COOPERATING* | Rating continues to remain under ISSUER NOT COOPERATING category |
| Short Term Bank Facilities | 0.45 | CARE A4; ISSUER NOT COOPERATING* | Rating continues to remain under ISSUER NOT COOPERATING category |

Details of instruments/facilities in Annexure-1.

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

Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated May 08, 2023, placed the rating(s) of Koner Food Product (KFP) under the 'issuer non-cooperating' category as KFP 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. KFP continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated March 23, 2024, April 02, 2024, April 12, 2024.

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).

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers:

Please refer to PR dated [May 08, 2023](#)

Applicable criteria

[CARE Ratings' criteria on information adequacy risk and issuer non-cooperation](#)

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

About the firm

Koner Food Product (KFP) was established in the July 2015. The firm is engaged in manufacturing of raw rice and parboiled rice. The milling unit of KFP is located at Burdwan, West Bengal with processing capacity of 5,400 Metric Ton Per Annum (MTPA). The firm is promoted by Burdwan based Mr. Uttam Koner, who has a long experience in the rice milling industry. KFP procures paddy from farmers & local agents and sells its products through the wholesalers and distributors located in West Bengal. The Firm sells the products under the brand name 'Trishool'. The firm was engaged in the expansion of its rice milling unit with an additional proposed installed capacity of 14,400 metric tonne per annum (MTPA). The project was estimated to be set up at a cost of Rs.8.03 crore, to be financed by way of partner's contribution of Rs.3.13 crore and term loan of Rs.4.90 crore. The term loan was under consideration by the banker. The project was expected to be operational from February, 2019. Mr. Uttam Koner (aged, 58 years) having more than two decade of experience, Mr. Priyabrata Koner (aged, 32 years) having 06 years of experience and Mr. Arnab Koner (aged, 25 years) having 04 years of experience in similar line of business, looks after the day to day operations of the firm along with other partners and a team of persons who have rich experience in the similar line of business.

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

| Brief Financials (₹ crore) | March 31, 2017 (A) | March 31, 2018 (Prov.) |
|----------------------------|--------------------|------------------------|
| Total operating income | 10.11 | 4.75 |
| PBILDT | 0.18 | 0.10 |
| PAT | 0.11 | 0.03 |
| Overall gearing (times) | 1.81 | 0.27 |
| Interest coverage (times) | 3.96 | 1.97 |

A: Audited; Prov.: Provisional; Note: 'the above results are latest financial results 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: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

| Name of the Instrument | ISIN | Date of Issuance (DD-MM-YYYY) | Coupon Rate (%) | Maturity Date (DD-MM-YYYY) | Size of the Issue (₹ crore) | Rating Assigned along with Rating Outlook |
|------------------------------------|------|-------------------------------|-----------------|----------------------------|-----------------------------|---|
| Fund-based - LT-Cash Credit | | - | - | - | 4.00 | CARE B-; Stable; ISSUER NOT COOPERATING* |
| Fund-based - LT-Term Loan^ | | - | - | - | 4.90 | CARE B-; Stable; ISSUER NOT COOPERATING* |
| Non-fund-based - ST-Bank Guarantee | | - | - | - | 0.45 | CARE A4; ISSUER NOT COOPERATING* |

*Issuer did not cooperate; Based on best available information ^ Proposed

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 2024-2025 | Date(s) and Rating(s) assigned in 2023-2024 | Date(s) and Rating(s) assigned in 2022-2023 | Date(s) and Rating(s) assigned in 2021-2022 |
| 1 | Fund-based - LT-Cash Credit | LT | 4.00 | CARE B-; Stable; ISSUER NOT COOPERATING * | - | 1)CARE B-; Stable; ISSUER NOT COOPERATING * (08-May-23) | - | 1)CARE B-; Stable; ISSUER NOT COOPERATING * (07-Mar-22) |
| 2 | Fund-based - LT-Term Loan | LT | 4.90 | CARE B-; Stable; ISSUER NOT COOPERATING * | - | 1)CARE B-; Stable; ISSUER NOT COOPERATING * (08-May-23) | - | 1)CARE B-; Stable; ISSUER NOT COOPERATING * (07-Mar-22) |
| 3 | Non-fund-based - ST-Bank Guarantee | ST | 0.45 | CARE A4; ISSUER NOT COOPERATING * | - | 1)CARE A4; ISSUER NOT COOPERATING * (08-May-23) | - | 1)CARE A4; ISSUER NOT COOPERATING * (07-Mar-22) |

*Issuer did not cooperate; Based on best available information

LT: Long term; ST: Short term

Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities: Not Applicable**Annexure-4: Complexity level of the various instruments rated**

| Sr. No. | Name of the Instrument | Complexity Level |
|---------|------------------------------------|------------------|
| 1 | Fund-based - LT-Cash Credit | Simple |
| 2 | Fund-based - LT-Term Loan | Simple |
| 3 | Non-fund-based - ST-Bank Guarantee | Simple |

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instrument: CARE Ratings 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

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About us:

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Disclaimer:

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