

## Karthikeya Agro Industries

August 20, 2024

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	9.23	CARE D; 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 July 28, 2023, placed the rating(s) of Karthikeya Agro Industries (KAI) under the 'issuer non-cooperating' category as KAI had failed to provide information for monitoring of the rating. KAI continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated June 12, 2024, June 22, 2024, July 02, 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:** Not Applicable

### Detailed description of the key rating drivers:

Please refer to PR dated [July 28, 2023](#)

### Applicable criteria

[CARE Rating's criteria on information adequacy risk and issuer non-cooperation](#)  
[Policy on Default Recognition](#)

### About the Firm

Karthikeya Agro Industries (KAI) was established in 2013 as a partnership firm, promoted by Mr. G.Madhusudhana Rao along with his wife Ms. G Naga Malleswari. The firm is engaged in milling and processing of rice at Nellore District, Andhra Pradesh, with an installed capacity to process 16,698 metric tons per annum of rice. The firm also sells the by products such as broken rice, husk and bran which comes out during the milling and processing of rice. The main raw material for the firm is paddy which is directly procured from local farmers located in and around Nellore. The firm sells its final product (rice) in the open markets of Tamil Nadu, Andhra Pradesh and Kerala.

Brief Financials (Rs. crore)	March 31, 2016 (A)	March 31, 2017 (A)
Total operating income	33.36	39.92
PBILDT	1.37	1.43
PAT	0.05	0.06
Overall gearing (times)	2.48	2.15
Interest coverage (times)	1.50	1.44

A: Audited; Note: 'the above results are latest financial results available'

**Status of non-cooperation with previous CRA:** CRISIL has continued the ratings assigned to the bank facilities of KAI to the 'issuer not-cooperating' category vide press release dated December 19, 2023 on account of its inability to carryout review in the absence of requisite information from the firm.

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

**Any other information:** Not Applicable

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

**Covenants of the rated instruments/facilities:** Detailed explanation of the 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		-	-	-	8.25	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	November-2020	0.98	CARE D; 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 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	8.25	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (28-Jul-23)	1)CARE D; ISSUER NOT COOPERATING* (19-Jul-22)	1)CARE D; ISSUER NOT COOPERATING* (15-Jun-21)
2	Fund-based - LT-Term Loan	LT	0.98	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (28-Jul-23)	1)CARE D; ISSUER NOT COOPERATING* (19-Jul-22)	1)CARE D; ISSUER NOT COOPERATING* (15-Jun-21)

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

LT: Long term

**Annexure-3: Detailed explanation of 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

#### Annexure-5: Lender details

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

**Note on the complexity levels of the rated instruments:** 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](mailto:care@careedge.in) for any clarifications.

## Contact us

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