

Hemkunt Rice Mills Private Limited

August 05, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	7.31	CARE B-; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B; Stable;
Short Term Bank Facilities	0.11	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 June 05, 2023, 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. HRMPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated April 20, 2024, April 30, 2024, May 10, 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).

The ratings assigned to the bank facilities of HRMPL have been revised on account of non-availability of requisite information. The revision also factored in reporting operating loss as well as increased debt levels during FY23.

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers:

Please refer to PR dated [June 05, 2023](#)

Applicable criteria

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

[Policy on default recognition](#)

[Criteria on Assigning 'Outlook' or 'Rating Watch' to Credit Ratings](#)

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. The company was promoted by Mr. Manjeet Singh Karla and Mr. Dina Nath Yadvendra. Mr. Manjeet Singh Karla and Mr. Dina Nath Yadvendra has experience around three decades in cold storage industry, looks after the overall management of the company. They are supported by other director Mr. Swarnpal Singh Karla 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)	March 31, 2022 (A)	March 31, 2023 (A)
Total operating income	73.27	78.36
PBILDT	2.73	-0.19
PAT	0.68	0.54
Overall gearing (times)	1.40	1.90
Interest coverage (times)	4.80	NM

A: Audited, Note: 'the above results are latest financial results available', NM – Not meaningful

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 continued the rating assigned to the bank facilities of HRMPL into ISSUER NOT COOPERATING category vide press release dated June 27, 2023 on account of its inability to carry out a review in the absence of requisite information from company.

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	-	-	-	-	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 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	7.00	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (05-Jun-23)	1)CARE B; Stable; ISSUER NOT COOPERATING* (17-May-22)	-
2	Fund-based - LT-Term Loan	LT	0.31	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (05-Jun-23)	1)CARE B; Stable; ISSUER NOT COOPERATING* (17-May-22)	-
3	Non-fund-based - ST-Letter of credit	ST	0.11	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (05-Jun-23)	1)CARE A4; ISSUER NOT COOPERATING* (17-May-22)	-

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

LT: Long term; ST: Short 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
3	Non-fund-based - ST-Letter of credit	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 for any clarifications.

Contact us

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About us:

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