

Embee Agro Food Industries Private Limited

October 25, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	20.33	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Downgraded from CARE B-; Stable

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 September 26, 2023, placed the rating(s) of Embee Agro Food Industries Private Limited (EAFIPL) under the 'issuer non-cooperating' category as EAFIPL had failed to provide information for monitoring of the rating as agreed to in its Rating Agreement. EAFIPL continues to be non-cooperative despite repeated requests for submission of information through e-mails dated August 11, 2024, August 21, 2024, August 31, 2024 and October 24, 2024 among others.

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 bank facilities of EAFIPL have been revised on account of non – availability of requisite information. The rating revision also considers instances of delays in debt servicing as recognized from publicly available information.

Analytical approach: Standalone

Outlook: Not Applicable

Detailed description of the key rating drivers:

Please refer to PR dated [September 26, 2023](#)

Applicable criteria

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

About the company

Embee Agro Food Industries Private Limited (EAFIPL) was incorporated in 2005 as a private limited company promoted by Mr B. Somashekhar Gowda and other three directors. All the directors belong to same family. EAFIPL erstwhile known as Magnur Syndicate, a partnership firm established in the year 1999 and promoted by Mr B. Somashekhar Gowda and other three partners. Since inception, the company is engaged in rice milling and processing, however, the processing activity closed in August 2012 since pollution control board insisted to close the unit in that location. Therefore, the company entered into trading of paddy and rice. Later, the company purchased a 7 acres land at Karnataka Industrial Area Development Board (KIADB) to set up a processing unit. The main raw material; paddy, is directly procured from local farmers located in and around Davangere and nearby locations during the off season. The major sales of the company are in Karnataka and Maharashtra regions.

Status of non-cooperation with previous CRA: India Ratings has continued the ratings assigned to the bank facilities of EAFIPL into 'Issuer not-cooperating' category vide press release dated September 12, 2024 on account of non-availability of requisite information from the company.

Any other information: Not Applicable

Rating History for last three years: Annexure-2

Covenants of rated instrument/facility: Annexure-3

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

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 and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	10.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	June, 2022	10.33	CARE D; ISSUER NOT COOPERATING*

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

Annexure-2: Rating history for 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-Term Loan	LT	10.33	CARE D; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (26-Sep-23)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (10-Aug-22)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (22-Jun-21)
2	Fund-based - LT-Cash Credit	LT	10.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (26-Sep-23)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (10-Aug-22)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (22-Jun-21)

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

LT: Long term.

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not Applicable

Annexure-4: Complexity level of 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 complexity levels of rated instruments: CARE Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

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About us:

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Disclaimer:

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