

## H. G. Narayan and Sons

January 10, 2025

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	4.00	CARE B; Stable; 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 December 27, 2023, placed the rating(s) of H. G. Narayan and Sons (HGNS) under the 'issuer non-cooperating' category as HGNS had failed to provide information for monitoring of the rating as agreed to in its Rating Agreement. HGNS continues to be non-cooperative despite repeated requests for submission of information through e-mails dated November 11, 2024, November 21, 2024 and December 01, 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 for HGNS have been revised on account of non-availability of requisite information.

**Analytical approach:** Standalone

**Outlook:** Stable

### Detailed description of the key rating drivers:

Please refer to PR dated [December 27, 2023](#)

### Applicable criteria

[Policy on Default Recognition](#)

[Policy in respect of non-cooperation by issuers](#)

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

### About the firm

H. G. Narayan & Sons (HGNS) was established in 1986 by Late Mr. H G Narayan. HGNS is presently running 30 liquor retail stores (all on leased basis) to sell IMFL (Indian Made Foreign Liquor) and Beer in various districts of Karnataka viz; Hassan, Mandya, Chikmagalur etc. The firm started with 2 retail licensed liquor outlets in the year 1986. Over the years, it acquired 28 additional licenses. Presently, the business is run by Mr. Prithvi Narayan. As applicable with all liquor retail shops located in Karnataka, Karnataka State Beverages Corporation (KSBCL) is the only supplier for HGNS. The licenses for the stores are required to be renewed annually for all outlets.

**Status of non-cooperation with previous CRA:** CRISIL has continued the rating assigned to the bank facilities of HGNS into Issuer Not Cooperating category vide press release dated May 28, 2024 on account of its inability to carry out a review in the absence of requisite information.

**Any other information:** Not Applicable

**Rating history for last three years:** Annexure-2

**Covenants of rated instrument / facility:** Annexure-3

**Complexity level of various instruments rated:** Annexure-4

**Lender details:** Annexure-5

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

**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-Term Loan <sup>^</sup>		-	-	-	4.00	CARE B; Stable; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; based on best available information. <sup>^</sup>Proposed

**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	4.00	CARE B; Stable; ISSUER NOT COOPERATING*	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (27-Dec-23)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (15-Nov-22)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (07-Sep-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-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.

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### About us:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

### Disclaimer:

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