

## K. P. Industries

October 27, 2017

### Rating

Facilities/Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long-term Bank Facilities	9.69	<b>CARE D (Single D)</b>	Revised from CARE B (Single B)
<b>Total facilities</b>	<b>9.69 (Rupee Nine crore and Sixty Nine lakh only)</b>		

*Details of instruments/facilities in Annexure-1*

### Detailed Rationale & Key Rating Drivers

#### Ongoing delays in Debt servicing

The revision in the rating assigned to the bank facilities of K. P. Industries is primarily due to irregularity in servicing its debt obligations.

**Analytical approach:** Standalone

### Applicable Criteria

[CARE's Policy on Default Recognition](#)

### About the Firm

Established in the year 2009, Ahmedabad-based K.P. Industries (KPI) is a partnership firm engaged in the processing of non-basmati rice. Key partners include Mr. Dhaval Prajapati and Mr. Atul Prajapati who manage the day to day operations. As on March 31, 2016, it had a total installed capacity of 69,120 Metric Tonnes per annum and operates through its sole manufacturing unit at Kheda.

**Status of non-cooperation with previous CRA:** Not Applicable

**Any other information:** Not Applicable

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

**Note on complexity levels of the rated instrument:** CARE has classified instruments rated by it on the basis of complexity. This classification is available at [www.careratings.com](http://www.careratings.com). Investors/market intermediaries/regulators or others are welcome to write to [care@careratings.com](mailto:care@careratings.com) for any clarifications.

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<sup>2</sup>Complete definitions of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and in other CARE publications

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In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

#### Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	-	July, 2018	0.19	CARE D
Fund-based - LT-Cash Credit	-	-	-	9.50	CARE D

#### Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017	Date(s) & Rating(s) assigned in 2015-2016	Date(s) & Rating(s) assigned in 2014-2015
1.	Fund-based - LT-Term Loan	LT	0.19	CARE D	-	1)CARE B; Stable (14-Feb-17) 2)Suspended (30-Dec-16)	1)CARE B (18-Aug-15)	-
2.	Fund-based - LT-Cash Credit	LT	9.50	CARE D	-	1)CARE B; Stable (14-Feb-17) 2)Suspended (30-Dec-16)	1)CARE B (18-Aug-15)	-

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