

Nakoda Group of Industries Limited

December 06, 2018

Rating

Facilities	Amount (Rs. crore)	Rating ¹	Rating Action
Long-term Bank Facilities	-	-	Withdrawn
Short-term Bank Facilities	-	-	Withdrawn
Total Facilities	-		

Details of instruments/facilities in Annexure-1

Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE has withdrawn the outstanding ratings of 'CARE BB-; Stable/CARE A4 [Double B Minus; Outlook: Stable/A Four] assigned to the bank facilities of Nakoda Group of Industries Limited (NGIL) with immediate effect. The above action has been taken at the request of NGIL and 'No Objection Certificate' received from the bank that have extended the facilities rated by CARE.

Analytical approach: Not Applicable

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the Company

Nagpur based, Nakoda Group of Industries Limited (NGIL) [erstwhile known as Nakoda Group Of Industries Private Limited] was established in October 2013 by Mr Jayesh Choudhary and Mr Pravin Choudhary. There were no operations under the company till FY16. However, in May 2016 the company took over the operations of Navkar Processors {rated CARE BB-/ CARE A4; (accepted) on September 15, 2015}. Navkar Processors (NP) was established as a proprietorship firm in the March 1996 and is based in Nagpur. The 'Nakoda' group was established in the year 1989 by the Choudhary family, led by father of Mr. Pravin Choudhary and is also based out of Nagpur, Maharashtra. The group is engaged in the trading and processing of dry fruits, candied fruit cubes (tutti-fruity, candied karonda) and other agro-based food products. The end products of the entity included jams and jellies. Currently the group is managing five entities viz. NGIL, Nakoda Agro Commodities Private Limited [NACPL], Parshvanath Overseas LLP, Parshwa Food International PFI and Nakoda Fruit Products Private Limited (NFPL, CARE B+/A4, Outlook: Stable; February 2017). The group procures raw/unprocessed dry fruits (cashew/almond kernels) from the domestic and overseas market and sells them in India and abroad. For candied fruit cubes, the group procures raw papaya from the domestic market, while sale is in domestic as well as in the overseas market. Import is done from USA, Indonesia and African countries while the group exports its products to Chile, Dubai, Iran, Israel, Bangladesh, Singapore, U.A.E, Damam and others. The products of the group are sold under the brand name of 'Samrat' and 'Nakoda'. Products are used primarily in deserts, ice-creams, bakery products and others. Major clients of the group are manufacturers of ice-Cream, bakery products, sweets & namkeens and others. Domestic customers of the group are Britannia Industries Limited, Haldiram Foods International Limited, Modern Bakery LLC, Haldiram Bakery Products Private Limited, Disha Foods Private Limited (ITC Group), Sonu Monu Industries, Farmico Commodities Limited (erstwhile known as Wadhvani Commodities Trading Private Limited) and others.

Brief Financials (Rs. crore)	FY17 (Audited)	FY18 (Audited)
Total operating income	23.79	48.75
PBILDT	1.93	3.91
PAT	0.51	1.01
Overall gearing (times)	3.03	3.94
Interest coverage (times)	1.77	2.09

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

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

¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications

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. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

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	-	-	-	0.00	Withdrawn
Fund-based - LT-Cash Credit	-	-	-	0.00	Withdrawn
Non-fund-based - ST-Bank Guarantees	-	-	-	0.00	Withdrawn
Non-fund-based - ST-Forward Contract	-	-	-	0.00	Withdrawn

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 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017	Date(s) & Rating(s) assigned in 2015-2016
1.	Fund-based - LT-Term Loan	LT	-	-	-	1)CARE BB-; Stable (03-Oct-17)	1)CARE BB- (27-Jun-16)	-
2.	Fund-based - LT-Cash Credit	LT	-	-	-	1)CARE BB-; Stable (03-Oct-17)	1)CARE BB- (27-Jun-16)	-
3.	Non-fund-based - ST-Bank Guarantees	ST	-	-	-	1)CARE A4 (03-Oct-17)	1)CARE A4 (27-Jun-16)	-
4.	Non-fund-based - ST-Forward Contract	ST	-	-	-	1)CARE A4 (03-Oct-17)	1)CARE A4 (27-Jun-16)	-

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