

Neha International Limited

May 18, 2020

Ratings

Facilities	Amount (Rs. crore)	Rating1	Rating Action
Long term Bank Facilities	5.60	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING)	Issuer not cooperating; Based on best available information
Short term Bank Facilities	23.50	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING)	Issuer not cooperating; Based on best available information
Total Facilities	29.10 (Rs. Twenty nine crore and ten lakh only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated March 18, 2019 placed the ratings of Neha International Limited (NIL) under the 'issuer non-cooperating' category as NIL had failed to provide information for monitoring of the rating. NIL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a email dated May 04, May 05 and May 06. In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE'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).

Detailed description of the key rating drivers

At the time of last rating on March 18, 2019 the following were the rating strengths and weaknesses

Key Rating Weaknesses

Rating weakness

Delay in meeting the debt obligations on time

The company has been delaying in meeting the debt obligations on time on account of strain in the liquidity position.

Analytical approach: Standalone

Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Criteria on assigning Rating Outlook](#)

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

[Criteria for Short Term Instruments](#)

[Rating Methodology-Manufacturing Companies](#)

[Financial ratios – Non-Financial Sector](#)

[Rating Methodology-Wholesale Trading](#)

[Rating Methodology: Factoring Linkages in Ratings](#)

About the Company

Established in 1993, Neha International Ltd (NIL) is engaged into trading of agricultural products mainly Maize, Soya Bean, Sun Flower, Edible oils etc. The company has been promoted by Mr G Vinod Reddy, who has about two decades of experience in the line of activity. The company got listed on BSE expand in February 1995. Neha at the group level is into floriculture space also exporting cut roses to Europe and Middle Eastern markets in Saudi Arabia, Qatar and UAE, through its subsidiaries (based in Ethiopia) and step down subsidiaries. Being primarily into trading, the company procures the agricultural products from small local traders and sells it to big traders & poultry farms domestically.

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

Brief Financials (Rs. crore)	FY17 (A)	FY18 (A)
Total operating income	451.67	323.63
PBILDT	9.76	7.97
PAT	1.16	-24.32
Overall gearing (times)	0.14	0.19
Interest coverage (times)	1.85	1.33

A: Audited

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

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

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-Cash Credit	-	-	-	5.00	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information
Non-fund-based - ST-Letter of credit	-	-	-	23.50	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information
Fund-based - LT-Term Loan	-	-	December 2017	0.60	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information

*Issuer did not cooperate; Based on best available information

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 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1.	Fund-based - LT-Cash Credit	LT	5.00	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	-	-	1)CARE D; ISSUER NOT COOPERATING* (18-Mar-19) 2)CARE D (20-Nov-18)	1)CARE BBB-; Negative (08-Nov-17)
2.	Non-fund-based - ST-Letter of credit	ST	23.50	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	-	-	1)CARE D; ISSUER NOT COOPERATING* (18-Mar-19) 2)CARE D (20-Nov-18)	1)CARE A3 (08-Nov-17)
3.	Fund-based - LT-Term Loan	LT	0.60	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	-	-	1)CARE D; ISSUER NOT COOPERATING* (18-Mar-19) 2)CARE D (20-Nov-18)	1)CARE BBB-; Negative (08-Nov-17)

*Issuer did not cooperate; Based on best available information

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:

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