



Press Release
Khairwala International Limited

October 08, 2018

Rating Update

Total Bank Facilities Rated*	Rs. 47.50 Cr.#
Long Term Rating	ACUITE B- Issuer not co-operating*

#Refer Annexure for details

*The issuer did not co-operate; based on best available information.

Rating Rationale

Acuite has reviewed long-term rating of 'Acuite B-' (read as Acuite B minus) on the Rs. 47.50 crore bank facilities of Khairwala International Limited. This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower:

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Default Recognition -<https://www.acuite.in/view-rating-criteria-17.htm>
- Infrastructure Entities-<https://www.acuite.in/view-rating-criteria-14.htm>

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity:

Khairwala International Limited (KIL) was incorporated in 1993 by Mr. Sumit Agrawal, Mr. Anil Agrawal and family. The company is engaged in rice milling and has set up a rice milling unit of 60,000 tons per annum capacity at a total cost of Rs. 34.75 cr, funded through term loan of Rs.26.00 cr, promoter's contribution of Rs. 6.44 cr and unsecured loans from relatives of Rs. 2.31 cr. KIL commenced operations in rice milling in January 2015.

For FY2014-15, KIL reported net loss of Rs.1.42 cr on operating income of Rs.3.26 cr. The company's net worth stood at Rs.10.66 cr as on March 31, 2015.

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
18-Jan-2016	Cash Credit	Long term	22.50	ACUITE B-/Stable (Assigned)
	Term Loan	Long term	25.00	ACUITE B-/Stable (Assigned)

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	22.50	ACUITE B- Issuer Not Cooperating*
Term Loans	Not Applicable	Not Applicable	Not Applicable	25.00	ACUITE B- Issuer Not Cooperating*

*The issuer did not co-operate; based on best available information.

Contacts

Analytical	Rating Desk
Aditya Gupta Head–Corporate and Infrastructure Sector Rating's Tel: 022-67141111 aditya.gupta@acuite.in	Varsha Bist Manager - Rating Desk Tel: 022-67141160 rating.desk@acuite.in
Disha Parmar Analyst - Rating Operations Tel: 022-67141156 Disha.parmar@acuiteratings.in	

About Acuité Ratings & Research:

Acuité Ratings & Research Limited (*Erstwhile SMERA Ratings Limited*) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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