

Kakan Rice Mill Private Limited:Assigned

Facilities	Amount (Rs. Crore)	Rating
Term Loan	6.85	SMERA D (Assigned)
Cash Credit	5.00	SMERA D (Assigned)
Bank Guarantee	1.00	SMERA D (Assigned)

SMERA has assigned rating of '**SMERA D**' (**read as SMERA D**) to the abovementioned bank facilities of Kakan Rice Mill Private Limited (KRMPL). The rating reflects delays in servicing of debt due to weak liquidity position. The rating also reflects the limited operational track record of the company. However, the rating takes into account the company's proximity to rice growing region.

Rating Sensitivity Factors

- Curing of Default

Criteria applied to arrive at the ratings:

- Manufacturing Entities

About the Company

KRMPL, (the erstwhile Kakan Cold Storage Private Limited) incorporated in 1995 was promoted by Mr. Bhupendra Singh, Mr. Ranvijay Singh and Mr. Vijay Singh. The company commenced commercial operations in May 2014 to process non-basmati rice.

For FY2015-16 (provisional), KRMPL reported net loss of Rs.2.93 crore on operating income of Rs.25.80 crore as against net loss of Rs.0.38 crore on operating income of Rs.17.07 crore in FY2014-15. The tangible net worth stood at Rs.6.07 crore in FY2015-16 as against Rs.7.95 crore in the previous year.

Contacts:

Analytical	Business Development
Mr. Mohit Jain Vice President – Ratings Operations, Tel: +91-22-6714 1105 Cell: 9619911017 Email: mohit.jain@smera.in	Mr. Suman M Vice President – Business Development, Corporate Ratings Tel: +91-22-6714 1151 Cell: +91-9892306888 Email: suman.m@smera.in

ABOUT SMERA

SMERA Ratings Limited is a joint initiative of SIDBI, Dun & Bradstreet Information Services India Private Limited (D&B) and leading public and private sector banks in India. SMERA is registered with SEBI as a Credit Rating Agency and accredited by Reserve Bank of India. For more details, please visit www.smera.in.

Disclaimer: A SMERA rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. SMERA ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. SMERA ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.smera.in) for the latest information on any instrument rated by SMERA.