

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.

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ABOUT SMERA

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