Press Release

Kumud Rice And Dal Mill

December 19, 2022

Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	5.00	ACUITE BB | Reaffirmed | Issuer not co-operating*	-
Bank Loan Ratings	8.00	-	ACUITE A4+ | Reaffirmed | Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	13.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuité has reaffirmed the long term rating of **'ACUITE BB' (read as ACUITE double B)** and short term rating of **'ACUITE A4+' (read as Acuite A four plus)** to the Rs. 13.00 crore bank facilities of Kumud Rice and Dal Mill. The rating continues to be flagged as "Issuer Not Cooperating" and is based on best available information.

About the Company

Kumud Rice and Dal Mill was established in 1994 by Mr. Triloki Nath Gupta, Mr. Tushar Gupta and Mr. Sanjeev Gupta. The firm is located in Hardoi, Uttar Pradesh, India. It is engaged in manufacturing of the wide assortment of Indian Rice which includes Sortex Sona masoori steamed rice, Non-Basmati rice and Samba masoori rice. The firm is mostly engaged in processing of different masoori rice. The firm operates four plants in Hardoi, Uttar Pradesh and exports to countries like Doha, Dubai, Oman, Nepal and Bangladesh to name few.

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 the due date.
Acuité believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.
This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

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 endeavored 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.

Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

Material Covenants

None

Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

Outlook

Not Applicable

Key Financials

Particulars	Unit	FY 19 (Actual)	FY 18 (Actual)
Operating Income	Rs. Cr.	52.49	47.08
PAT	Rs. Cr.	0.52	0.03
PAT Margin	(%)	0.98	0.06
Total Debt/Tangible Net Worth	Times	4.90	2.77
PBDIT/Interest	Times	1.72	1.45

Status of non-cooperation with previous CRA

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.

Applicable Criteria

- Manufacturing Entities: https://www.acuite.in/view-rating-criteria-59.htm
- Default Recognition: https://www.acuite.in/view-rating-criteria-52.htm
- Application Of Financial Ratios And Adjustments: https://www.acuite.in/view-rating-criteria-53.htm

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite' s categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
20 Sep 2021	Cash Credit	Long Term	4.00	ACUITE BB (Issuer not co-operating*)
	Packing Credit	Short Term	8.00	ACUITE A4+ (Issuer not co-operating*)
	Proposed Bank Facility	Long Term	0.15	ACUITE BB (Issuer not co-operating*)
	Term Loan	Long Term	0.85	ACUITE BB (Issuer not co-operating*)
16 Jul 2020	Term Loan	Long Term	0.85	ACUITE BB | Stable (Upgraded from ACUITE BB- | Stable)
	Packing Credit	Short Term	8.00	ACUITE A4+ (Reaffirmed)
	Proposed Bank Facility	Long Term	0.15	ACUITE BB | Stable (Upgraded from ACUITE BB- | Stable)
	Cash Credit	Long Term	4.00	ACUITE BB | Stable (Upgraded from ACUITE BB- | Stable)
22 Apr 2019	Term Loan	Long Term	1.00	ACUITE BB- | Stable (Reaffirmed)
	Packing Credit	Short Term	8.00	ACUITE A4+ (Assigned)
	Cash Credit	Long Term	4.00	ACUITE BB- | Stable (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Punjab National Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	4.00	ACUITE BB | Reaffirmed | Issuer not co-operating*
Punjab National Bank	Not Applicable	PC/PCFC	Not Applicable	Not Applicable	Not Applicable	Simple	8.00	ACUITE A4+ | Reaffirmed | Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	Simple	0.15	ACUITE BB | Reaffirmed | Issuer not co-operating*
Punjab National Bank	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	0.85	ACUITE BB | Reaffirmed | Issuer not co-operating*

Contacts

Analytical	Rating Desk
Pooja Ghosh Vice President-Rating Operations Tel: 022-49294041 pooja.ghosh@acuite.in Abhishek Singh Analyst-Rating Operations Tel: 022-49294065 abhishek.s@acuite.in	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuite.in

About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.