



Press Release
NAKODA GROUP OF INDUSTRIES LIMITED
June 09, 2023

Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	16.25	ACUITE B+ Reaffirmed Issuer not co-operating*	-
Bank Loan Ratings	0.25	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	16.50	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE B+**' (read as **ACUITE B plus**) and the short-term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.16.50 Cr. bank facilities of Nakoda Group of Industries Limited (NGIL). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

About the Company

Nakoda Group of Industries Limited (NGIL), based at Nagpur, was incorporated in October 2013. The company is promoted by Mr. Pravin Choudhary, Mr. Jayesh Choudhary and Mrs. Manju Choudhary. On 18 July 2016, Nakoda Group of Industries Limited took over the running business of M/s. Navkar Processors, the sole proprietorship concern of the promoter Mr. Pravin Choudhary and subsequently business of this proprietorship concern was merged into the company. The company is engaged in processing of various fruit and vegetable products. It processes about 5000 MT vegetables and fruits in a year.

About the Group

The Nakoda group was established in 1989 by Mr. Choudhary and family, led by Mr. Pravin Choudhary and is also based out of Nagpur (Maharashtra). The group is managing five entities viz. Nakoda Group of Industries Limited (NGIL), Nakoda Fruit Products Private Limited (NFPPL), Parshvanath Overseas (PO), Parshva Food International (PFI) and Nakoda Agro Commodities Private Limited (NACPL). Incorporated in 2013, Nakoda group is engaged in manufacturing of tutti fruity (Diced Chelory) also called as 'Papaya Preserve' and canned fruit cubes which comes under the category of bakery products. The group is also engaged in processing of almonds which are imported from California and other Middle East countries by the traders in Maharashtra. Other business also includes trading of sesame seeds, clove, cutpeel murabba, karonda, daalchini and toor daal.

Non-cooperation by the issuer/borrower:

Acuite 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 non-cooperation 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 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.

Rating Sensitivity

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

Material Covenants

Not Applicable

Liquidity Position

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

Outlook

Not Applicable

Other Factors affecting Rating

Not Applicable

Key Financials

Particulars	Unit	FY 18 (Provisional)	FY 17 (Actual)
Operating Income	Rs. Cr.	147.60	104.54
PAT	Rs. Cr.	2.99	1.88
PAT Margin	(%)	2.03	1.80
Total Debt/Tangible Net Worth	Times	1.86	2.05
PBDIT/Interest	Times	1.83	1.64

Status of non-cooperation with previous CRA

Not Applicable

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
23 Mar 2022	Term Loan	Long Term	6.50	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	9.75	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	0.25	ACUITE A4 (Issuer not co-operating*)
23 Dec 2020	Cash Credit	Long Term	9.75	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	0.25	ACUITE A4 (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	6.50	ACUITE BB- (Downgraded and Issuer not co-operating*)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Central Bank of India	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	0.25	ACUITE A4 Reaffirmed Issuer not co-operating*
Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	9.75	ACUITE B+ Reaffirmed Issuer not co-operating*
Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	6.50	ACUITE B+ Reaffirmed Issuer not co-operating*

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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.

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