

October 28, 2024

Ekam Agro Private Limited: Continues to remain under issuer Non-Cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term - Fund Based/ CC	4.00	4.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term - Fund Based TL	11.00	11.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term / Short Term - Unallocated	3.00	3.00	[ICRA]D; ISSUER NOT COOPERATING / [ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	18.00	18.00	

*Issuer did not cooperate; based on best available information.

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has kept the long-term and short-term ratings of “Ekam Agro Private Limited” in the ‘Issuer Not Cooperating’ category. The rating is denoted as “[ICRA]D; ISSUER NOT COOPERATING / [ICRA]D; ISSUER NOT COOPERATING”

As part of its process and in accordance with its rating agreement with Ekam Agro Private Limited, ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity’s management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the “Issuer Not Cooperating” category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities, Key financial indicators: [Click here](#). ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology Policy on Default Recognition Edible Oil
Parent/Group Support	Not Applicable
Consolidation/Standalone	Standalone

About the company

The company was incorporated in November 2013 by the Kalra Family and is operating as a refinery for crude rice bran oil. The plant is located in Mukstar, Punjab with an installed capacity of 100 tonnes per day. The operations of the company commenced from February 2015. The total project cost incurred was Rs. 17.51 crore and was funded through promoter's contribution of around Rs. 4 crores, unsecured loans of Rs 0.37 crore, term debt of Rs. 11 crores and Rs 2.14 crore of advances to suppliers.

Status of non-cooperation with previous CRA:

CRA	Status	Date of Release
CARE	CARE D; ISSUER NOT COOPERATING	June 20, 2024
CRISIL	CRISIL D; ISSUER NOT COOPERATING	September 12, 2024

Any other information: None

Rating history for past three years

Instrument	Current Rating (FY2025)			Chronology of Rating History for the past 3 years		
	Type	Amount Rated (Rs. crore)	Date & Rating in	Date & Rating in FY2024	Date & Rating in FY2023	Date & Rating in FY2021
			Oct 28, 2024	Aug 25, 2023	Jun 24, 2022	Mar 15, 2021
1 Cash Credit	Long term	4.00	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING
2 Term Loan	Long term	11.00	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING
3 Unallocated	Long term /Short term	3.00	[ICRA]D/ [ICRA]D; ISSUER NOT COOPERATING	[ICRA]D/ [ICRA]D; ISSUER NOT COOPERATING	[ICRA]D/ [ICRA]D; ISSUER NOT COOPERATING	[ICRA]B+(Stable)/ [ICRA]A4; ISSUER NOT COOPERATING

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Term Loan	Simple
Unallocated	Not Applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analyzing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](#)

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Cash Credit	-	-	-	4.00	[ICRA]D; ISSUER NOT COOPERATING
NA	Term Loan	-	-	-	11.00	[ICRA]D; ISSUER NOT COOPERATING
NA	Unallocated	-	-	-	3.00	[ICRA]D; ISSUER NOT COOPERATING / [ICRA]D; ISSUER NOT COOPERATING

Source: Ekam Agro Private Limited

Annexure-2: List of entities considered for consolidated analysis: Not applicable.

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About ICRA Limited:

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