

May 19, 2025

DNP Foods 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
Short Term-Fund Based-Cash Credit	16.00	16.00	[ICRA]D ISSUER NOT COOPERATING *; Rating continues to remain under 'Issuer Not Cooperating' category
Total	16.00	16.00	

*Issuer did not cooperate; based on best available information

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has kept the Short-Term rating for the Bank facilities of DNP Foods Limited in the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]D ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with DNP Foods 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 : [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 Policy on default recognition Corporate Credit Rating Methodology
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

Incorporated in September 2006 as a public limited company, DNP Foods Limited is engaged in processing and exporting seeds and spices, mainly guar gum splits. The company has set up a 12,000 metric tons per annum (MTPA) processing plant at Umber gam, Gujarat, which commenced operations in April 2010. The process involves sifting, de-stoning, removing metal particles, sorting as per color and size, and packaging the processed guar gum splits. Prior to the commercialization of the plant in April 2010, DNP was engaged in the trading of seeds and spices. Mr. Devji N Palani, the promoter of the company, has more than five decades of experience in the field of seeds and spice exports, mainly guar gum exports. The company is closely held by the

Palani family and is not listed on any of the stock exchanges in India.

Key financial indicators:

Standalone	FY 2021 (Rs. In Crore)	FY 2022 (Rs. IN Crore)
Operating Income (Rs. crore)	0.04	0.01
PAT (Rs. crore)	- 1.01	- 0.93
OPBDITA/OI (%)	-66.46%	-1644.26%
PAT/OI (%)	-2444.99%	-15406.89%
Total Outside Liabilities/Tangible Net Worth (times)	- 1.70	0.03
Total Debt/OPBDITA (times)	- 882.32	- 243.01
Interest Coverage (times)	- 29.84	- 327.02

Source: MCA

PAT: Profit after Tax; OPBDITA: Operating Profit before Depreciation, Interest, Taxes and Amortization

Status of non-cooperation with previous CRA: Not Applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2026)			Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs. Crore)	Date & Rating in FY 2026	Date & Rating in FY 2025	Date & Rating in FY 2024	Date & Rating in FY 2023
				May 19, 2025	-	Feb 15, 2024	Dec 20, 2022
1.	Fund Based-Cash Credit	Short Term	16.00	[ICRA]D ISSUER NOT COOPERATING	-	[ICRA]D ISSUER NOT COOPERATING	[ICRA]D ISSUER NOT COOPERATING

Complexity level of the rated instrument

Instrument	Complexity Indicator
Short Term-Fund Based-Cash Credit	Simple

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 analysing 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	Fund Based-Cash Credit	-	-	-	16.00	[ICRA]D ISSUER NOT COOPERATING

Source: DNP Foods Limited

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

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

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