

## Noble Natural Resources India Private Limited

October 25, 2018

### Summary of Rated Instrument:

Instrument	Rated Amount (Rs. crore)	Rating Action
Short-term Fund-based Limits	270.0	[ICRA]A1+ (S) &; on watch with developing implications; withdrawn
Long-term/ Short-term Fund-based Limits	75.0	[ICRA]AA-(S) &/[ICRA]A1+(S) &; on watch with developing implications; withdrawn
<b>Total</b>	<b>345.0</b>	

### Rating Action

ICRA has withdrawn the long-term and short-term ratings of [ICRA]AA-(S)& (pronounced ICRA double A minus S, on watch with developing implications) <sup>1</sup> and [ICRA]A1+(S)& (pronounced ICRA A one plus S, on watch with developing implications) on the Rs. 345-crore<sup>2</sup> bank facilities of Noble Natural Resources India Private Limited (NNRI or the company).

### Rationale

The ratings have been withdrawn at the request of the company and upon receipt of no objection certificate from the bankers, in accordance with ICRA's policy on withdrawal and suspension of credit rating.

**Analytical approach:** For arriving at the ratings, ICRA has applied its rating methodologies as indicated below

#### Links to applicable criteria:

[Corporate Credit Rating Methodology](#)

[ICRA Policy on Withdrawal and Suspension of Credit Rating](#)

### About the company

Initially incorporated as a subsidiary of the Noble Group Limited (NGL) and incorporated in August 2011, NNRI is engaged in the trading of agri-commodities and in the refining, packaging and sales of edible oil in India. In 2014, NGL demerged its agri-business that was structured as a 49:51 joint venture (JV) between NGL and COFCO<sup>3</sup> International Limited as Noble Agri Limited. This, however, was followed by the acquisition of the entire stake in this agri-venture by COFCO International in March 2016 with the entity being renamed as COFCO Agri Limited. NNRI is currently a 100% step-down subsidiary of COFCO Agri Limited. As on April 24, 2017, COFCO Agri Limited began to operate under COFCO International. As on date, NNRI continues to operate under the same legal name.

<sup>1</sup> For complete rating scale and definitions, please refer to ICRA's website [www.icra.in](http://www.icra.in) or other ICRA Rating Publications

<sup>2</sup> 100 lakh = 1 crore = 10 million

<sup>3</sup> China National Cereals, Oil and Foodstuffs Corp

## About COFCO (Hong Kong) Limited

COFCO HK is a wholly-owned offshore subsidiary of COFCO Corporation and holds the Group's important assets, including stakes in six listed companies. It operates businesses in agriculture commodity trading and processing agriculture products, branded consumer food, packaging products and real estate and hospitality sectors. COFCO HK, which is the COFCO Group's sole platform to integrate its offshore investments, accounted for around 80% of Group revenues, 59% of its adjusted debt and 59% of its total assets in 2016. Meanwhile, there are synergies between COFCO HK and the COFCO Group's onshore businesses. COFCO HK holds 48% stake in COFCO International, the investment vehicle that holds 100% stake in NNRI through its step-down subsidiaries.

COFCO HK had reported revenues of US\$ 46.8 billion for the year ended December 31, 2016, with net debt/EBIDTA of 6.0x.

## Key financial indicators (Audited) - NNRI

	FY2016	FY2017
Operating Income (Rs. crore)	2298.3	2988.7
PAT (Rs. crore)	13.8	5.6
OPBDIT/ OI (%)	1.4%	0.4%
RoCE (%)	6.6%	6.2%
Total Debt/ TNW (times)	1.3	0.4
Total Debt/ OPBDIT (times)	6.8	5.5
Interest Coverage (times)	4.3	0.9

*OI: Operating Income; PAT: Profit after Tax; OPBDIT: Operating Profit before Depreciation, Interest, Taxes and Amortisation; ROCE: PBIT/Avg (Total Debt + Tangible Net-Worth + Deferred Tax Liability-Capital Work-in Progress)*

**Status of non-cooperation with previous CRA: Not applicable**

**Any other information: None**

### Rating history for last three years:

Current Rating (FY2019)					Chronology of Rating History for the past 3 years				
Instrument	Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating		Date & Rating in FY2018	Date & Rating in FY2017	Date & Rating in FY2016	
				Oct-18	Sep-18	Nov-17	Dec-16	Jan-16	
1	Short-term Fund-based Limits	270.0	Nil	[ICRA]A1+(S)& on watch with developing implications; Withdrawn	[ICRA]A1+(S)& on watch with developing implications	[ICRA]A1+(S)	[ICRA]A1+(S)	[ICRA]A1& on watch with developing implications	
2	Long-term/ Short-term Fund-based Limits	75.0	Nil	[ICRA]AA-(S)& / [ICRA]A1+(S)& on watch with developing implications; Withdrawn	[ICRA]AA-(S)& / [ICRA]A1+(S)& on watch with developing implications	[ICRA]AA-(S) (Stable) / [ICRA]A1+(S)	[ICRA]AA-(S) (Stable) / [ICRA]A1+(S)	[ICRA]A(&)/ [ICRA]A1& on watch with developing implications	

### Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website [www.icra.in](http://www.icra.in)

### 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	Short-term Fund-based Limits	NA	NA	NA	270.0	[ICRA]A1+(S)&; on watch with developing implications; Withdrawn
NA	Long-term/ Short-term Fund-based Limits	NA	NA	NA	75.0	[ICRA]AA-(S)& / [ICRA]A1+(S)&; on watch with developing implications; Withdrawn

Source: NNRI

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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.

For more information, visit [www.icra.in](http://www.icra.in)

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