

April 25, 2022

3F Industries Ltd.: Ratings withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Medium-term Fixed Deposits	132.00	132.00	MA- (Stable) ISSUER NOT COOPERATING*; Withdrawn.
Total	132.00	132.00	

*Instrument details are provided in Annexure-1

Rationale

ICRA has put on notice of withdrawal for one month the ratings assigned to the Fixed Deposits facilities of 3F Industries Ltd at the request of the company and based on the Public Announcement. However, ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed. The Key Rating Drivers, Liquidity Position, Rating Sensitivities, Key financial indicators have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy on Withdrawal of Credit Ratings Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology Rating Methodology for Entities in the Edible Oil Industry
Parent/Group Support	Not applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has taken into account the audited consolidated financials of the group (entities included is mentioned in Annexure-2) given the close business, financial and managerial linkages among the same

About the company

Incorporated in 1960 by Mr. B.K Goenka, the flagship company of the Group, 3F Industries Limited (3FI) is involved in trading, extraction and refining of Crude Palm Oil (CPO). Having started with the extraction of oil from rice bran at Tadepalligudam, Andhra Pradesh in 1962, the Group has expanded its refining capacity over the years and also setup a fully mechanised production facility at Krishnapatnam, Andhra Pradesh in 2013.

From producing a meagre volume of edible oil in the early years of its existence, the company has reported robust revenue growth over the last 10 years by expanding across the entire value chain. The key products contributing to the revenue growth are refined oils, fatty acids, oleo chemicals, Vanaspati amongst others. At present, the company has an installed refining capacity of 391,500 MTPA. Post the demise of the promoter and founder Mr. B. K Goenka in 2011, the day-to-day operations of the company are handled by his son, Mr. S.B Goenka.

Status of non-cooperation with previous CRA: Not Applicable.

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2023)				Chronology of Rating History for the past 3 years			
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in FY2022		Date & Rating in FY2021	Date & Rating in FY2020
						25-April-2022	16-Mar-2022		
1	Fixed Deposit	Medium term	132.00	-	MA- (Stable); ISSUER NOT COOPERATING; Withdrawn	MA- (Stable); ISSUER NOT COOPERATING; Put on notice of withdrawal for one month	MA- (Stable); ISSUER NOT COOPERATING	MA- (Stable); assigned	-

Complexity level of the rated instrument

Instrument	Complexity Indicator
Fixed deposit	Very 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 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: 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	Fixed deposit	-	-	-	132.00	MA- (Stable); ISSUER NOT COOPERATING; Withdrawn

Source: 3F Industries Ltd

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

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For more information, visit www.icra.in

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Branches



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