

November 29, 2019

## Bafna Enterprises: Continues to remain in Non-Cooperating category, Rating downgraded based on best available information

### Summary of rated instruments

Instrument <sup>^</sup>	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term – Fund Based – Cash Credit	7.00	7.00	[ICRA]BB+(Stable) ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]BBB (Stable) and continues to remain under ‘Issuer Not Cooperating’ category
Short-term – Non Fund Based	4.75	4.75	[ICRA]A4+ ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]A2 and continues to remain under ‘Issuer Not Cooperating’ category
<b>Total</b>	<b>11.75</b>	<b>11.75</b>	

<sup>\*</sup>Issuer did not cooperate; based on best available information.

<sup>^</sup>Instrument details are provided in [Annexure-1](#)

### Rationale

The rating is downgraded because of lack of adequate information regarding Bafna Enterprises performance and hence the uncertainty around its credit risk. ICRA assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its “Policy in respect of non-cooperation by the rated entity”. The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade.

As part of its process and in accordance with its rating agreement with Bafna Enterprises, ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity’s management has remained non-cooperative. In the absence of requisite information and in line with SEBI’s Circular No. SEBI/HO/MIRSD4/CIR/2016/119, dated November 01, 2016, ICRA’s Rating Committee has taken a rating view based on the best available information.

The previous detailed rating rationale is available on the following link: [Click here](#)

### About the company

Bafna Enterprises (BE/the firm) is engaged in processing of various spices, primarily black pepper. Although exports contribute to majority of BE’s sales, the firm also derives a significant part of its sales from domestic players and group entities (engaged in similar line of business). The firm operates from a single manufacturing facility in Cochin, and outsources some of its activities to group entities/local players.

**Key Financial Indicator:** Not Applicable

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

**Any other information:** Not applicable

**Rating history for past three years**

S. No.	Instrument	Current Rating (FY2020)				Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating	Date & Rating in FY2019	Date & Rating in FY2018	Date & Rating in FY2017
					29-Nov-19	31-May-18	-	18-Nov-16
1	Fund Based Facilities	Long Term	7.00	-	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING	[ICRA]BBB (Stable); ISSUER NOT COOPERATING	-	[ICRA]BBB (Stable)
2	Fund Based Facilities	Short Term	4.75	-	[ICRA]A4+; ISSUER NOT COOPERATING	[ICRA]A2; ISSUER NOT COOPERATING	-	[ICRA]A2

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

**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	Type	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Cash Credit	Long-term	-	-	-	7.00	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING
NA	Fund Based	Short Term	-	-	-	4.75	[ICRA]A4+; ISSUER NOT COOPERATING

Source: BE

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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.

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