

April 30, 2020

Navdanya Foods Private Limited: Rating moved to issuer not cooperating category

Summary of Rated Instrument:

Instrument	Previous Rated Amount (Rs. Crore)	Current Rated Amount (Rs. Crore)	Rating Action
Fund-based – Cash credit	4.00	4.00	[ICRA]B (Stable) ISSUER NOT COOPERATING*; Rating moved to the 'Issuer Not Cooperating' category
Non-fund based - Letter of guarantee	2.50	2.50	[ICRA]A4 ISSUER NOT COOPERATING*; Rating moved to the 'Issuer Not Cooperating' category
Total	6.50	6.50	

*Issuer did not co-operate; based on best available information.

Rationale

ICRA has moved the ratings for the Rs. 6.50 crore bank facilities of Navdanya Foods Private Limited (NFPL) to the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]B (Stable)/[ICRA]A4; ISSUER NOT COOPERATING"

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. The current rating action has been taken by ICRA basis best available/dated/ limited information on the issuers' performance. Accordingly, the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology Issuers in Indian Rice Industry Policy in respect of non-cooperation by the rated entity
Parent/Group Support	Not applicable
Consolidation / Standalone	Standalone

About the company:

Incorporated in 2000, Navdanya Foods Private Limited (NFPL) is primarily involved in the custom milling (job work) of non-basmati rice for various government agencies. The manufacturing facility of the company is located near a high paddy-growing region in Bargarh district of Odisha and has an input milling capacity of 10 tonne per hour (tph). In addition to its custom milling, the company is involved in open market sale of rice, broken rice, bran, husk etc.

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

Key financial indicators (Audited):

	FY2018	FY2019
Operating Income (Rs. crore)	3.52	5.55
PAT (Rs. crore)	0.05	0.06
OPBDIT/ OI (%)	33.50%	21.01%
RoCE (%)	7.87%	10.35%
Total Outside Liabilities/Tangible Net Worth (times)	2.60	2.60
Total Debt/OPBDIT (times)	3.50	3.89
Interest Coverage (times)	2.45	2.16
DSCR	2.37	2.09

Status of Non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for past three years

All figures in Rs. Crore

	Instrument	Current Rating (FY2021)				Rating History for the Past 3 Years			
		Type	Amount Rated	Amount Outstanding	Rating	FY2020	FY2019	FY2018	
					30-Apr 2020			22-Mar-2018	15-Nov-2017
1	Cash credit	Long term	4.00	-	[ICRA]B (Stable); ISSUER NOT COOPERATING	-	[ICRA]B (Stable)	[ICRA]B (Stable); ISSUER NOT COOPERATING	[ICRA]B (Stable); ISSUER NOT COOPERATING**
2	Letter of Guarantee	Short term	2.50	-	[ICRA]A4; ISSUER NOT COOPERATING	-	[ICRA]A4	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING**

**moved to issuer not cooperating category due to non-submission monthly 'No Default Statement' (NDS)

Analyst Contacts

Mr. K Ravichandran

+91 44 4596 4301

ravichandran@icraindia.com

Mr. Sujoy Saha

+91 33 7150 1184

sujoy.saha@icraindia.com

Mr. Sandipan Kumar Das

+91 33 7150 1190

sandipan.das@icraindia.com

Mr. Nitesh Bahety

+91 33 7150 1186

nitesh.bahety@icraindia.com

Relationship Contact

Mr. Jayanta Chatterjee

+91 80 4332 6401

jayantac@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani

Tel: +91 124 4545 860

communications@icraindia.com

Helpline for business queries:

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

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

ICRA Limited

Corporate Office

Building No. 8, 2nd Floor, Tower A; DLF Cyber City, Phase II; Gurgaon 122 002

Tel: +91 124 4545300

Email: info@icraindia.com

Website: www.icra.in

Registered Office

1105, Kailash Building, 11th Floor; 26 Kasturba Gandhi Marg; New Delhi 110001

Tel: +91 11 23357940-50

Branches

Mumbai + (91 22) 24331046/53/62/74/86/87
Chennai + (91 44) 2434 0043/9659/8080, 2433 0724/ 3293/3294,
Kolkata + (91 33) 2287 8839 /2287 6617/ 2283 1411/ 2280 0008,
Bangalore + (91 80) 2559 7401/4049
Ahmedabad+ (91 79) 2658 4924/5049/2008
Hyderabad + (91 40) 2373 5061/7251
Pune + (91 20) 2556 0194/ 6606 9999

© Copyright, 2020 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents