

April 21, 2023

Khoday India Limited: Ratings Moved to Issuer Non-Cooperating Category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Issuer Rating	-	-	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating Moved to 'Issuer Not Cooperating' category
Fund based TL	20.00	20.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating Moved to 'Issuer Not Cooperating' category
Fund based – CC	15.00	15.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating Moved to 'Issuer Not Cooperating' category
Total	35.00	35.00	

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

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has moved the ratings for the bank facilities of **Khoday India Limited** (KIL) to the 'Issuer Not Cooperating' category. The rating is denoted as “[ICRA]B+(Stable); ISSUER NOT COOPERATING”.

The rating is based on limited cooperation from **Khoday India Limited** since the time it was last rated in February 2022. As part of its process and in accordance with its rating agreement with **Khoday India Limited**, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. However, despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite cooperation and in line with SEBI's Circular No. SEBI/HO/MIRSD4/CIR/2016/119, dated November 01, 2016, the firm's rating has been moved to the "Issuer Not Cooperating" category.

Please refer to the following link for the previous detailed rationale that captures the Key rating drivers and their description, Liquidity position, Rating sensitivities: [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology Policy in respect of non-co-operation by the rated entity
Parent/Group Support	Not Applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the standalone financials of KIL.

About the company

Khoday India Limited (KIL), incorporated on September 28, 1965, as Khoday Distilleries Limited, primarily manufactures and markets IMFL such as malt whisky, gin, brandy and rum. Some of its alcohol brands include Peter Scot Whiskey, Red Knight Whiskey, Khoday's XXX Rum, Hercules XXX Rum, Hercules XXX White Rum, Hercules Beer, Sovereign Brandy and Hercules XXX Deluxe Rum, among others. KIL is a part of the Bangalore-based Khoday Group, which was founded in 1906 by Mr. Khoday Eshwarsa. The Khoday Group of companies includes Khoday Engineering, Khoday Contact Center, Ram Mohan Travels, Khoday Biotech, Khoday Agro, Khoday Technologies, Khoday Glass, Khoday Silks and Khoday LK Power, among others.

Key financial indicators (audited)

KIL Standalone	FY2021	FY2022
Operating income	132.1	81.5
PAT	-4.5	-3.9
OPBDITA/OI	4.1%	9.2%
PAT/OI	-3.4%	-4.8%
Total outside liabilities/Tangible net worth (times)	-50.1	-30.8
Total debt/OPBDITA (times)	46.5	31.6
Interest coverage (times)	0.5	0.8

PAT: Profit after tax; OPBDITA: Operating profit before depreciation, interest, taxes and amortisation; Amount in Rs crore; Source: MCA

Status of non-cooperation with previous CRA: Not Applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2024)				Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs. crore)	Amount Outstanding as of Mar 31, 2021 (Rs. crore)	Date & Rating in	Date & Rating in FY2023	Date & Rating in FY2022	Date & Rating in FY2021
					April 21, 2023			
1	Issuer rating	Long Term	-	-	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	-	[ICRA]B+ (Stable)	[ICRA]B+ (Stable)
2	Fund based – CC	Long term	15.00	-	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	-	[ICRA]B+ (Stable)	[ICRA]B+ (Stable)
3	Fund based – TL	Long term	20.00	53.40	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	-	[ICRA]B+ (Stable)	[ICRA]B+ (Stable)

Complexity level of the rated instrument

Instrument	Complexity Indicator
Issuer Rating	NA
Fund based TL	Simple
Fund based – CC	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: [Click Here](#)

Annexure-1: Instrument details

ISIN No.	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Issuer rating	-	-	-	-	[ICRA]B+ (Stable); ISSUER NOT COOPERATING
NA	Fund based – CC	-	-	-	15.00	[ICRA]B+ (Stable); ISSUER NOT COOPERATING
NA	Fund based – TL	FY2021	-	FY2026	20.00	[ICRA]B+ (Stable); ISSUER NOT COOPERATING

Source: Company

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

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About ICRA Limited:

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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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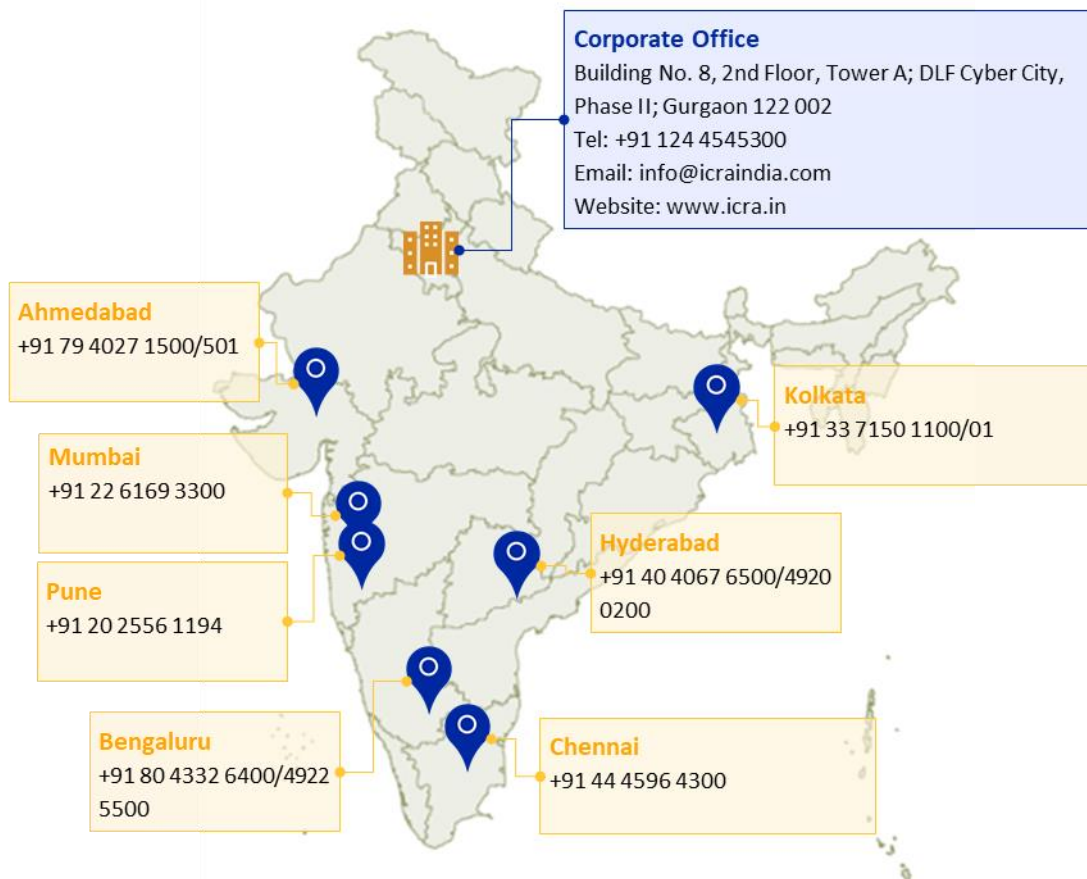
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