

E:KRBL/BIBHU/STK\_EX\_2021/68  
03 February 2021



<p>✓</p> <p><b>The General Manager</b> <b>Department of Corporate Services</b> <b>BSE Limited</b> <b>Floor 25, Phiroze Jeejeebhoy Towers</b> <b>Dalal Street</b> <b>Mumbai – 400 001</b></p> <p>Scrip Code: <b>530813</b></p>	<p><b>National Stock Exchange of India Limited</b> <b>“Exchange Plaza”, C-1, Block-G</b> <b>Bandra-Kurla Complex</b> <b>Bandra (E)</b> <b>Mumbai-400051</b></p> <p>Symbol: KRBL                      Series: Eq.</p>
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Dear Sir/Madam,

**Sub: Disclosure for revision in credit rating pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Pursuant to the provisions of Regulation 30 read with Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), please note that ICRA Limited ("ICRA") and CARE Ratings Limited ("CARE") has revised the rating for the banking facilities and Commercial Paper limits of the Company as follows:

Type of Rating	Amount (Rs. In Crores)	Existing Rating	Revised Rating
Banking Limits on Long Term Scale	1,619	[ICRA] AA- (Stable)	[ICRA] AA- @
Banking Limits on Short Term Scale	179	[ICRA] A1+	[ICRA] A1+ @
Commercial Paper	500	[ICRA] A1+	[ICRA] A1+ @
Commercial Paper	500	CARE A1+	CARE A1+ @

@ - under watch with negative implications.

The rating has been revised due to detention of Mr. Anoop Kumar Gupta, Joint Managing Director of the Company, by the Enforcement Directorate while cooperating with the investigation in the Augusta Westland case.

We also enclose a copy of the rating letters received from ICRA and CARE.

We would like to reiterate that KRBL Limited or Mr. Gupta has nothing to do with the Augusta Westland case. KRBL Limited or Mr. Gupta was neither named in the charge-sheet/complaints nor has he been arrayed as an Accused in the Augusta Westland Case.

We once again would like to assure all our stakeholders that our operations are being carried out smoothly and will continue to be carried out in such a manner.

Further, the above said disclosure is also available on the Company's website at [www.krblice.com](http://www.krblice.com) under the link Investor Relations.

This is for your information and record.

Thanking you,

Yours faithfully,  
**For KRBL Limited**

  
**Raman Sapra**  
**Company Secretary**

Encl.: As above

Corporate Office : C-32, 5th & 6th Floor, Sector-62, Noida-201301, Gautambudh Nagar, (U.P.), INDIA.  
Regd. Office : 5190, Lahori Gate, Delhi - 110 006, INDIA. Tel. : +91-11-23968328, Fax : +91-11-23968327, CIN No. L01111DL1993PLC052845  
Tel. : +91-120-4060300, Fax : +91-120-4060398. E-mail : [mails@krblindia.com](mailto:mails@krblindia.com). Visit us at : [www.krblice.com](http://www.krblice.com)

**WORLD'S LARGEST RICE MILLERS & BASMATI RICE EXPORTERS**



ICRA

ICRA Limited

Ref: D/RAT/2020-21/K-27/3

February 3, 2021

Mr. Rakesh Mehrotra  
Chief Financial Officer  
KRBL Limited  
C-32, 5<sup>th</sup> & 6<sup>th</sup> Floor,  
Sector – 62, Noida – 201301  
Uttar Pradesh, India

Dear Sir,

**Re: ICRA-assigned Credit Rating for Rs. 1798.0 crore of KRBL Limited (instrument details in Annexure) following material event**

Please refer the Rating Agreement dated November 24, 2017 between ICRA Limited ("ICRA") and your company, whereby, ICRA is required to review the ratings assigned to your company on an annual basis or as and when the circumstances so warrant.

Please note that the Rating Committee of ICRA, after due consideration of the latest developments of your company, has placed the long-term rating of [ICRA]AA- (pronounced as ICRA double A minus)<sup>†</sup> and short-term rating of [ICRA]A1+ (pronounced as ICRA A one plus) for the captioned Line of Credit (LOC) under 'Watch with Negative Implications'.

In any of your publicity material or other document wherever you are using the above rating, it should be stated as [ICRA]AA-@[ICRA]A1+@. The aforesaid ratings will be due for surveillance any time before August 31, 2021.

The Ratings are specific to the terms and conditions of the line of credit as indicated to us by you, and any change in the terms or size of the same would require a review of the Ratings by us. In case there is any change in the terms and conditions or the size of the rated line of credit, the same must be brought to our notice before the line of credit is used by you. In the event such changes occur after the Ratings have been assigned by us and their use has been confirmed by you, the Ratings would be subject to our review, following which there could be a change in the Ratings previously assigned. Notwithstanding the foregoing, any change in the over-all limit of the line of credit from that specified in the first paragraph of this letter would constitute an enhancement that would not be covered by or under the said Rating Agreement.

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<sup>†</sup> For complete rating definition please refer to ICRA Website [www.icra.in](http://www.icra.in) or any of the ICRA Rating Publications



ICRA

ICRA reserves the right to review and/or, revise the above Ratings at any time on the basis of new information becoming available, or the required information not being available, or other circumstances that ICRA believes could have an impact on the Ratings assigned.

The Rating(s) assigned must be understood solely as an opinion and should not be treated, or cause to be treated, as recommendation to buy, sell, or hold the rated [Instrument] availed/issued by your company.

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s). Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

We look forward to your communication and assure you of our best services.

With kind regards,

Yours sincerely,

for ICRA Limited

Digitally signed by SABYASACHI MAJUMDAR  
Date: 2021.02.03 11:02:34 +05'30'

Sabyasachi Majumdar  
Senior Vice President

**Encl:**



ICRA

*'No Default Statement on the Company Letter Head'*

To,

ICRA Limited  
Building No. 8, 2nd Floor, Tower A,  
DLF Cyber City, Phase II, Gurugram -122002

Dear Sir/ Madam,

1. We hereby confirm that as on date there are no overdues or default on our listed debt obligations. (Securities).
2. We hereby confirm that as on date there are no overdues or default on our unlisted debt obligations. (Securities).
3. We also confirm that in the month ended <<Month and Year name>>, there has been no instance of delay in servicing of our listed debt obligations (Securities).
4. We also confirm that in the month ended <<Month and Year name>>, there has been no instance of delay in servicing of our un-listed debt obligations(Securities).
5. We also confirm that in the month ended <<Month and Year name>>, there has been no instance of delay in servicing of debt obligations guaranteed by us.
6. We hereby confirm that as on date and in the month ended <<Month and Year name>> there are no over dues or default on payment of interest/installment obligations on loans from banks/financial institutions.
7. We hereby confirm that as on date there are no over dues or default on payment of interest/installment obligations on loans from banks/financial institutions which continues beyond 30 days.
8. We hereby confirm that as on date there are no over dues or default on revolving facilities like cash credit, from banks/financial institutions which continues beyond 30 days.
9. We also confirm that there is no amount remaining unpaid for more than 30 days from the invocation of the bank guarantee facilities or devolvement of Letters of Credit as on date / in the month ended <<Month and Year name>> We also confirm that there has not been any instance of devolvement of Letter of Credit in the month ended <<Month and Year name>>
10. We also confirm that there has been no overdrawal of the drawing power sanctioned by the bank for a period of more than 30 consecutive days in case of bank facilities which do not have scheduled maturity/repayment dates.
11. Details of default in payment of interest/installment obligations on loans including revolving facilities like cash credit from banks/financial institutions and any overdraws beyond what is sanctioned by the bank, beyond 30 days as on date/ in the month ended <<Month and Year name>>, in any of the above case (if any):

Name of Lender	Nature of obligation	Date of Default	Current default amount	Amount to be paid	Actual Date of Payment (if any)	Remarks
Text	Term Loan, CC					
Row 2						



ICRA

12. Details of default in payment of principal/interest obligations as on date/ in the month ended <<Month and Year name>>, on our listed and unlisted debt obligations (Securities), in any of the above case (if any):

Name of the Instrument	ISIN	Amount to be paid	Due Date of Payment	Actual Date of Payment	Remarks
NCD					

Thanking You,

Yours faithfully,

<Authorized Signatory of Issuer>



ICRA

**Annexure**

**Details of the bank limits rated by ICRA (Rated on long term scale)**

	Amount (Rs. Cr.)	Rating	Assigned on
<b>Fund Based Working Capital Limits</b>			
State Bank of India	600.0	[ICRA]AA- @	February 2, 2021
DBS Bank Limited	200.0	[ICRA]AA- @	February 2, 2021
HDFC Bank Limited	500.0	[ICRA]AA- @	February 2, 2021
Karnataka Bank Limited	10.0	[ICRA]AA- @	February 2, 2021
Union Bank of India	10.0	[ICRA]AA- @	February 2, 2021
IndusInd Bank	105.0	[ICRA]AA- @	February 2, 2021
Cooperative Rabobank U.A	150.0	[ICRA]AA- @	February 2, 2021
<b>Sub Total (A)</b>	<b>1,575.0</b>		
<b>Term Loans</b>			
State Bank of India	34.0	[ICRA]AA- @	February 2, 2021
Proposed	10.0	[ICRA]AA- @	February 2, 2021
<b>Sub Total (B)</b>	<b>44.0</b>		
<b>Grand Total (A+B)</b>	<b>1,619.0</b>		

**Details of the bank limits rated by ICRA (Rated on short term scale)**

	Amount (Rs. Cr.)	Rating	Assigned on
<b>Non Fund Based Limits – LC/BG/Forward</b>			
State Bank of India	65.0	[ICRA]A1+ @	February 2, 2021
Karnataka Bank Limited	10.0	[ICRA]A1+ @	February 2, 2021
Corporation Bank	20.0	[ICRA]A1+ @	February 2, 2021
DBS Bank	4.0	[ICRA]A1+ @	February 2, 2021
IndusInd Bank	70.0	[ICRA]A1+ @	February 2, 2021
Proposed	10.0	[ICRA]A1+ @	February 2, 2021
<b>Total</b>	<b>179.0</b>		

@ - under Watch with Negative Implications



ICRA

ICRA Limited

D/RAT/2020-21/K-27/2

February 3, 2021

Mr. Rakesh Mehrotra  
Chief Financial Officer  
KRBL Limited  
C-32, 5<sup>th</sup> & 6<sup>th</sup> Floor,  
Sector – 62, Noida – 201301  
Uttar Pradesh, India

Dear Sir,

**Re: ICRA rating for Rs. 500.0 crore Commercial Paper of KRBL Limited**

Please refer the Rating Agreement dated December 20, 2017 between ICRA Limited (“ICRA”) and your company, whereby, ICRA is required to review the ratings assigned to your company on an annual basis or as and when circumstances so warrant.

Please note that the Rating Committee of ICRA, after due consideration of the latest developments in your company, has placed the **[ICRA]A1+ (pronounced as ICRA A one plus)** rating for the aforementioned- instrument under ‘**Watch with Negative implications**’. Instruments with this rating are considered to have very strong degree of safety regarding timely payment of financial obligations. Such instruments carry lowest credit risk.

In any of your publicity material or other document wherever you are using our above rating, it should be stated as **[ICRA]A1+@ (pronounced as ICRA A one plus under watch with negative implications)**.

Additionally, we wish to highlight the following with respect to the rating:

- (a) If the instrument rated, as above, is not issued by you within a period of 3 months from the date of this letter, the rating would need to be revalidated before issuance;
- (b) Subject to Clause (c) below, our rating is valid from the date of this letter till August 31, 2021 (“Validity Period”). The rating will generally be due for review at the end of the Validity Period. The maturity date of the Commercial Paper shall not be after the end of the Validity Period. The Commercial Paper will have a maximum maturity of twelve months.
- (c) ICRA reserves the right to review and/or, revise the above rating at any time on the basis of new information or unavailability of information or such circumstances, which ICRA believes, may have an impact on the aforesaid rating assigned to you.

Building No. 8, 2<sup>nd</sup> Floor, Tower A  
DLF Cyber City, Phase II  
Gurugram - 122002, Haryana

Tel. : +91.124.4545300  
CIN : L74999DL1991PLC042749

Website : [www.icra.in](http://www.icra.in)  
Email : [info@icraindia.com](mailto:info@icraindia.com)  
Helpdesk : +91.9354738909

Registered Office : 1105, Kailash Building, 11<sup>th</sup> Floor, 26 Kasturba Gandhi Marg, New Delhi - 110001. Tel. : +91.11.23357940-45

**R A T I N G • R E S E A R C H • I N F O R M A T I O N**



ICRA

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the Commercial Paper issued by you. **The above rating of “[ICRA]A1+@” is assigned to your Commercial Paper size of Rs 500.0 crore and the maximum amount raised through Commercial Paper at any point in time, including any amount already outstanding, should not exceed Rs 500.0 crore.** In case, you propose to enhance the size of the Commercial Paper, the same would be required to be rated afresh. ICRA does not assume any responsibility on its part, for any liability, that may arise consequent to your not complying with any eligibility criteria, applicable from time to time, for issuance of Commercial Paper.

You are requested to furnish a monthly ‘*No Default Statement (NDS)*’ (in the format enclosed) on the first working day of every month, confirming the timeliness of payment of all obligations against the rated debt programme. This is in line with requirements as prescribed in circular dated June 30, 2017 on ‘*Monitoring and Review of Ratings by Credit Rating Agencies (CRAs)*’ issued by the Securities and Exchange Board of India..

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s). Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

We thank you for your kind cooperation extended during the course of the rating exercise. Should you require any clarification, please do not hesitate to get in touch with us.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,

For ICRA Limited

Digitally signed by SABYASACHI MAJUMDAR  
Date: 2021.02.03 11:01:29 +05'30'

Sabyasachi Majumdar  
(Senior Vice President)  
[sabyasachi@icraindia.com](mailto:sabyasachi@icraindia.com)

**Encl:**





ICRA

*'No Default Statement on the Company Letter Head'*

To,

ICRA Limited  
Building No. 8, 2nd Floor, Tower A,  
DLF Cyber City, Phase II, Gurugram -122002

Dear Sir/ Madam,

1. We hereby confirm that as on date there are no overdues or default on our listed debt obligations. (Securities).
2. We hereby confirm that as on date there are no overdues or default on our unlisted debt obligations. (Securities).
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5. We also confirm that in the month ended <<Month and Year name>>, there has been no instance of delay in servicing of debt obligations guaranteed by us.
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9. We also confirm that there is no amount remaining unpaid for more than 30 days from the invocation of the bank guarantee facilities or devolvement of Letters of Credit as on date / in the month ended <<Month and Year name>> We also confirm that there has not been any instance of devolvement of Letter of Credit in the month ended <<Month and Year name>>
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11. Details of default in payment of interest/installment obligations on loans including revolving facilities like cash credit from banks/financial institutions and any overdrafts beyond what is sanctioned by the bank, beyond 30 days as on date/ in the month ended <<Month and Year name>>, in any of the above case (if any):

Name of Lender	Nature of obligation	Date of Default	Current default amount	Amount to be paid	Actual Date of Payment (if any)	Remarks
Text	Term Loan, CC					
Row 2						



ICRA

12. Details of default in payment of principal/interest obligations as on date/ in the month ended <<Month and Year name>>, on our listed and unlisted debt obligations (Securities), in any of the above case (if any):

Name of the Instrument	ISIN	Amount to be paid	Due Date of Payment	Actual Date of Payment	Remarks
NCD					

Thanking You,

Yours faithfully,

<Authorized Signatory of Issuer>

No. CARE/DRO/RL/2020-21/3495  
Mr. Rakesh Mehrotra  
Chief Financial Officer,  
KRBL Limited  
C-32, 5<sup>th</sup> Floor, Sector -62  
Noida,  
Gautam Budh Nagar - 201301

February 02, 2021

**Confidential**

Dear Sir,

**Credit rating for Commercial Paper (CP) issue aggregating Rs.500.00 crore<sup>1</sup>**

On the basis of recent developments including operational and financial performance of your company for FY20 and the recent arrest of the Joint MD by the Enforcement Directorate and the possible impact of the same on the credit profile of your company our Rating Committee has reviewed the following rating:

Instrument	Amount (Rs. crore)	Rating <sup>2</sup>	Rating Action
Commercial Paper (Carved out)*	500.00	CARE A1+ (Under Credit watch with Negative Implications) (A One Plus) (Under Credit watch with Negative Implications)	Placed on Credit watch with Negative Implications
Total Instruments	500.00 (Rs. Five Hundred Crore Only)		

\*carved out of the sanctioned working capital limits of the company.

- The CP issue would be for a maturity not exceeding one year.
- CARE will take a view on the ratings once the exact implications of the above on the credit risk profile of the company are clear.
- Please arrange to get the rating revalidated in case the issue is not made within **two months** from the date of this letter i.e. by April 01, 2021. Once the CP is placed, the rating is valid for the tenure of such instrument till redemption.

<sup>1</sup> This represents the aggregate of all CP issuances of the company outstanding at any point in time.

<sup>2</sup> Complete definitions of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and in other CARE publications.

CARE Ratings Ltd.

CORPORATE OFFICE: 4<sup>th</sup> Floor, Godrej Coliseum, Somaiya Hospital Road,  
Off Eastern Express Highway, Sion (E), Mumbai - 400 022.  
Tel.: +91-22- 6754 3456 • Fax: +91-22- 022 6754 3457  
Email: care@careratings.com • www.careratings.com

13th Floor, E-1 Block, Videocon Tower  
Jhandewalan Extension, New Delhi - 110 055.  
Tel: +91-11-4533 3200 • Fax: +91-11-4533 3238

5. Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

Instrument type	ISIN	Issue Size (Rs cr.)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Trustee/IPA	Details of top 10 investors
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6. The rationale for the rating will be communicated to you separately. A write-up (press release) on the above rating is proposed to be issued to the press shortly/by end of the day, a draft of which is enclosed for your perusal as **Annexure**. We request you to peruse the annexed document and offer your comments if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently crept in. Kindly revert as early as possible. In any case, if we do not hear from you by February 02, 2021, we will proceed on the basis that you have no any comments to offer.
7. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
8. CARE reserves the right to revise/reaffirm/withdraw the rating assigned as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE so as to enable it to carry out continuous monitoring of the rating of the debt instruments, CARE shall carry out the review on the basis of best available information throughout the life time of such instruments. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.
9. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.
10. Users of this rating may kindly refer our website [www.careratings.com](http://www.careratings.com) for latest update on the outstanding rating.
11. CARE ratings are **not** recommendations to buy, sell, or hold any securities.

If you need any clarification, you are welcome to approach us in this regard.

CARE Ratings Ltd.

Thanking you,

Yours faithfully,



**Harneet Deepak Chaudhary**  
Deputy Manager  
harneet.chaudhary@careratings.com



**Gaurav Dixit**  
Associate Director  
gaurav.dixit@careratings.com

Encl.: As above

**Disclaimer**

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

CARE Ratings Ltd.

13th Floor, E-1 Block, Videocon Tower, Jhandewalan Extension, New Delhi - 110 055.

Tel: +91-11-4533 3200 • Fax: +91-11-4533 3238

**Annexure**  
**KRBL Limited**

**Ratings**

Facilities/Instruments	Amount (Rs. crore)	Ratings	Rating Action
Commercial Paper (Carved out)*	500.00	CARE A1+ (Under Credit watch with Negative Implications) (A One Plus) (Under Credit watch with Negative Implications )	Placed on Credit watch with Negative Implications
<b>Total Short Term Instruments</b>	<b>500.00</b> <b>(Rs. Five Hundred Crore Only)</b>		

\*carved out of the sanctioned working capital limits of the company

Details of instruments/facilities in Annexure-1

**Detailed Rationale & Key Rating Drivers**

CARE has placed the rating of KRBL Limited (KRBL) on credit watch with negative implications as the Enforcement Directorate (ED) has arrested Mr. Anoop Gupta, the Joint Managing Director of KRBL on January 30, 2021 in connection with its money laundering probe into the AgustaWestland scam. CARE will continue to monitor the developments in this regard and will take a view on the rating, once the exact implications of the above on the credit risk profile of the company are clear.

Further, CARE is also continuously monitoring the developments on other ongoing legal case wherein the ED has attached assets of KRBL under Prevention of Money Laundering Act, 2002 (PMLA) in connection with 2008 Embraer deal case.

**Key Rating Sensitivities**

**Negative Factors**

- Any adverse development in relation to the ongoing legal cases.
- Significant debt-funded capex resulting in deterioration of capital structure with overall gearing increasing more than 1.0x on a sustained basis.
- Adverse changes in import policies of key importing countries affecting the prices of Basmati rice and profitability of the company.

**Detailed Description of the Key Rating Driver**

The ED has arrested the Joint Managing Director of KRBL- Mr. Anoop Gupta in connection with its money laundering probe into VVIP choppers purchase (AgustaWestland) scam case, on January 30, 2021. As per media reports, ED in its remand application stated that approximately Euro 70 million proceeds of crime were laundered through two channels for payment of kickbacks to various political persons, bureaucrats, Air Force officials and others to influence the contract for supply of 12 VVIP helicopters in favour of Anglo-Italian firm – AgustaWestland. Further the proceeds of the crime was also received in Rawasi Al Khaleej General Trading (RAKGT) LLC Dubai which was incorporated in 2007 by KRBL DMCC, Dubai (a 100% subsidiary of KRBL Ltd) and Mr. Anoop Gupta was also one of the director of this company. However, CARE is awaiting more clarity with regard to aforesaid issue and may take a view on the rating of KRBL once further clarity emerges on the same.

Further, with respect to the Embraer deal case, the ED in December 2020 had filed a charge sheet before a special Prevention of Money Laundering Act (PMLA) court and has named Embraer SA, Brazil, Interdev Aviation Services Pte Ltd, KRBL Limited, Anoop Kumar Gupta (director of KRBL Limited), Anurag Potdar (nephew of Anoop Kumar Gupta) and others. The investigation conducted so far has resulted in the issuance of provisional attachment order of proceeds of crime in the form of immovable properties worth Rs 16.29 crore

**CARE Ratings Ltd.**

CORPORATE OFFICE: 4<sup>th</sup> Floor, Godrej Coliseum, Somaiya Hospital Road,  
Off Eastern Express Highway, Sion (E), Mumbai - 400 022.  
Tel.: +91-22- 6754 3456 • Fax: +91-22- 022 6754 3457  
Email: care@careratings.com • www.careratings.com

13th Floor, E-1 Block, Videocon Tower  
Jhandewalan Extension, New Delhi - 110 055.  
Tel: +91-11-4533 3200 • Fax: +91-11-4533 3238

belonging to KRBL Ltd. The provisional attachment order has been confirmed by the Adjudicating Authority under PMLA. However, as per the Delhi High Court order dated October 23, 2020, the company was allowed to use the above mentioned land.

**Analytical approach:** Standalone

**Applicable Criteria**

Criteria on assigning Outlook and Credit Watch to Credit Ratings

CARE's Policy on Default Recognition

Criteria for Short Term Instruments

Rating Methodology-Manufacturing Companies

Financial ratios - Non-Financial Sector

Liquidity Analysis of Non-Financial Sector Entities

**About the Company**

KRBL Limited (KRBL) was incorporated in 1993 by Mr. Anil K. Mittal, Mr. Anoop K. Gupta and Mr. Arun K. Gupta. The promoters have been involved into this business since 1889 under the name of Khushi Ram & Behari Lal.

KRBL is one of the largest fully integrated domestic rice players with an installed manufacturing capacity of 195 Metric Tonnes per hour (TPH). The company is engaged in the production and marketing of Basmati rice and is also engaged in seed development and multiplication and contract farming. Being an integrated player, it also generates value-added by-products like brain oil, de-oiled cakes and uses rice husks for captive power plant. The company also derives around 3% of its revenue through electricity generation. It has 144.84 MW of renewable power generation capacity through wind turbine (114.35 MW), biomass power plant (17.59 MW) & solar power plant (15 MW). One-third of the power generated is used towards captive consumption whereas the remaining is sold. However, KRBL is now evaluating to demerge this segment into a new company.

**Covenants of rated instrument / facility:** Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Brief Financials (Rs. crore)	FY19 (A)	FY20 (A)
Total operating income	4126.59	4514.51
PBILDT	857.30	887.64
PAT	503.27	559.41
Overall gearing (times)	0.57	0.28
Interest coverage (times)	12.69	14.22

A: Audited

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

**Any other information:** Not Applicable

**Rating History for last three years:** Please refer Annexure-2

**Annexure-1: Details of Instruments/Facilities**

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Commercial Paper- Commercial Paper (Carved out)	-	-	-	500.00	CARE A1+ (Under Credit watch with Negative Implications)

**Annexure-2: Rating History of last three years**

Sr.	Name of the	Current Ratings	Rating history
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No.	Instrument/Bank Facilities	Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1.	Commercial Paper- Commercial Paper (Carved out)	ST	500.00	CARE A1+ (Under Credit watch with Negative Implications)	1)CARE A1+ (03-Dec-20) 2)CARE A1+ (Under Credit watch with Negative Implications) (07-Sep-20)	1)CARE A1+ (Under Credit watch with Negative Implications) (22-Nov-19) 2)CARE A1+ (Under Credit watch with Negative Implications) (06-Sep-19) 3)CARE A1+ (Under Credit watch with Negative Implications) (15-Jul-19)	1)CARE A1+ (27-Sep- 18)	1)CARE A1+ (26-Dec- 17) 2)CARE A1+ (05-Dec- 17) 3)CARE A1+ (27-Sep- 17)

**Annexure-3: Detailed explanation of covenants of the rated instrument / facilities – NA**

**Annexure 4: Complexity level of various instruments rated for this Company**

Sr. No.	Name of the Instrument	Complexity Level
1.	Commercial Paper-Commercial Paper (Carved out)	Simple

*Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at [www.careratings.com](http://www.careratings.com). Investors/market intermediaries/regulators or others are welcome to write to [care@careratings.com](mailto:care@careratings.com) for any clarifications.*

## Contact us

### Media Contact

Name: Mradul Mishra  
Contact no: +91-22-6837 4424  
Email ID: [mradul.mishra@careratings.com](mailto:mradul.mishra@careratings.com)

### Analyst Contact

Group Head Name: Gaurav Dixit  
Group Head Contact no: +91-11 - 4533 3235  
Group Head Email ID: [gaurav.dixit@careratings.com](mailto:gaurav.dixit@careratings.com)

### Business Development Contact

Name: Swati Agrawal  
Contact no: +91-11-4533 3200

CARE Ratings Ltd.

13th Floor, E-1 Block, Videocon Tower, Jhandewalan Extension, New Delhi - 110 055.

Tel: +91-11-4533 3200 • Fax: +91-11-4533 3238



Email ID: [swati.agrawal@careratings.com](mailto:swati.agrawal@careratings.com)

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13th Floor, E-1 Block, Videocon Tower, Jhandewalan Extension, New Delhi - 110 055.

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