



Press Release

Cosmos Industries Limited

March 24, 2022

Rating

Sl. No.	Facility	Amount (Rs. Crore)	Rating	Rating Action	Complexity indicator
1	Long Term Bank Facilities	62.00	IVR B : Issuer not cooperating (IVR Single B ; Issuer not cooperating)	Downgraded and moved to 'Issuer Not Cooperating Category'	Simple
	Total	62.00 (Rupees Sixty-two crore only)			

*Issuer did not cooperate; based on best available information

Details of Facility are in Annexure 1

Detailed Rationale

The rating downgrade is because of lack of adequate information regarding Cosmos Industries Limited (CIL)'s performance and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy. 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.

Detailed description of the key rating drivers: Non-cooperation by Issuer

Infomerics has been seeking information from Cosmos Industries Limited (CIL)'s Cosmos Industries Limited (CIL)'s to monitor the rating vide its mails dated March 08, 2022, March 10, 2022, March 11, 2022, and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the rating. Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the ratings for the bank loan facilities of CIL aggregating to Rs.62.00 crore shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as "IVR B: Issuer Not Co-operating; Based on best available information. (Long term IVR Single B: Issuer Not Co-operating; Based on best available information)".



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Analytical Approach & Applicable Criteria

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Rating Methodology for Manufacturing Companies](#)

About the Company

Cosmos Industries Limited (CIL) was set up by one Yadav Family in 1998 at Dhuri, Sangrur district, Punjab and is engaged in the manufacturing of White Crystal Sugar with initial installed capacity of 3200 TCD and its by products such as Molasses, Bagasse. The company is having its Registered Office at Dhuri, Sangrur district, Punjab, Punjab. The day-to-day affairs of the company are being looked after by Sh. Kunal Yadav Managing Director of the company.

Financials (Standalone):

For the year ended* As on	31-03-2019	31-03-2020
	Audited	Audited
Total Operating Income	120.58	155.14
EBITDA	5.21	10.70
PAT	-0.01	1.01
Total Debt	103.48	90.56
Tangible Net worth	19.30	27.32
EBITDA Margin (%)	4.32	6.89
PAT Margin (%)	-0.01	0.64
Overall Gearing Ratio (x)^	4.12	2.47

*Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA: India Ratings has placed the rating of bank facilities under "Issuer not cooperating" category vide press release dated March 19, 2020 due to non-cooperation from client.

Any other information: Nil

Rating History for last three years:



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Sr. No.	Name of Facilities	Current Rating (Year 2021-22)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2020-21	Date(s) & Rating(s) assigned in 2019-20	Date(s) & Rating(s) assigned in 2018-19
1.	Cash Credit	Long Term	62.00	IVR B; Issuer Not Cooperating*	IVR B+ / Stable Outlook (December 28, 2020)	-	-

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

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About Infomerics:

Infomerics was founded in the year 1986 by a team of highly experienced and knowledgeable finance professionals. Subsequently, after obtaining Securities Exchange Board of India registration and RBI accreditation and the activities of the company are extended to External Credit Assessment Institution (ECAI).

Adhering to best International Practices and maintaining high degree of ethics, the team of knowledgeable analytical professionals deliver credible evaluation of rating.

Infomerics evaluates wide range of debt instruments which helps corporates open horizons to raise capital and provides investors enlightened investment opportunities. The transparent, robust and credible rating has gained the confidence of Investors and Banks. Infomerics has a pan India presence with Head Office in Delhi, branches in major cities and representatives in several locations.

For more information visit www.infomerics.com

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are 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 us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength



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of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Bank Facilities – Cash Credit	-	-	-	62.00	IVR B; Issuer Not Cooperating*

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

Annexure 2: List of companies considered for consolidated analysis: Not Applicable.

Annexure 3: Facility wise lender details: Not available

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.