



Date: - 27.02.2024

To,
National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex
Bandra (East),
Mumbai - 400 051

Symbol: - KRISHNADEF**ISIN: - INE0J5601015****Subject: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Dear Sir/Madam,

In compliance of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to communicate that Infomeric Ratings (Credit Rating Agency) has rated the Bank Facilities as under:-

Instrument / Facility	Amount (Rs. crore)	Ratings	Rating Action
Long term bank facilities	14.06	IVR BB/ Negative; ISSUER NOT COOPERATING* (IVR Double B with Negative Outlook; ISSUER NOT COOPERATING*)	Downgraded & migrated to ISSUER NOT COOPERATING category
Short term bank facilities	19.00	IVR A4; ISSUER NOT COOPERATING* (IVR A Four; ISSUER NOT COOPERATING*)	Downgraded & migrated to ISSUER NOT COOPERATING category
Proposed Long term bank facilities	1.94	IVR BB/ Negative; ISSUER NOT COOPERATING* (IVR Double B with Negative Outlook; ISSUER NOT COOPERATING*)	Downgraded & migrated to ISSUER NOT COOPERATING category
Total	35.00		

Reason for downgraded rating:- Lack of adequate information.

Kindly note that the company is in process of getting ratings from another rating agency and has already initiated the process of withdrawal of credit rating with Infomeric Ratings. However, the rating action by the rating agency has been owing to regulatory guidelines applicable to them and it does not reflect on any financial and operational performance of the company. The said ratings assigned is for the time being and shall be revised in short time.





KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

FORMERLY KNOWN AS KRISHNA ALLIED INDUSTRIES LIMITED

DEFENCE | DAIRY EQUIPMENT

Further, the Company clarifies and confirms that its operations are normal and its financial health is sound.

Kindly take the same on your record.

Thanking You,

Yours faithfully,

For Krishna Defence and Allied Industries Limited,

Ankur Ashwin Shah

Managing Director

DIN:- 01166537

REGISTERED OFFICE: OFFICE NO. 344, A TO Z INDUSTRIAL ESTATE, LOWER PAREL (W), MUMBAI - 400013, MAHARASHTRA, INDIA.

TEL NO. +91 22 4220 3800-99(100 LINES) | FAX NO. +91 22 4220 3888

REGIONAL OFFICE: OFFICE NO. A-236, ATLANTIS K10, GENDA CIRCLE, VADODARA-390 023, GUJARAT, INDIA.

PLANT I: 121/9 & 20, GIDC, KALOL - 389330, DISTRICT PANCHMAHALS, GUJARAT, INDIA. | TEL. NO. +91 2676 235452, 237145

PLANT II: 503A, GIDC, HALOL - 389350, DISTRICT PANCHMAHALS, GUJARAT, INDIA. | TEL. NO. +91 2676 225295

info@krishnaallied.com | www.krishnaallied.com | CIN NO. U74900MH2013PLC248021 | GST NO. 24AAFCK3430J1ZQ





Press Release

Krishna Defence and Allied Industries Limited
February 26, 2024

Ratings

Instrument / Facility	Amount (Rs. crore)	Ratings	Rating Action	Complexity Indicator
Long term bank facilities	14.06	IVR BB/ Negative; ISSUER NOT COOPERATING* (IVR Double B with Negative Outlook; ISSUER NOT COOPERATING*)	Downgraded & migrated to ISSUER NOT COOPERATING category	Simple
Short term bank facilities	19.00	IVR A4; ISSUER NOT COOPERATING* (IVR A Four; ISSUER NOT COOPERATING*)	Downgraded & migrated to ISSUER NOT COOPERATING category	Simple
Proposed Long term bank facilities	1.94	IVR BB/ Negative; ISSUER NOT COOPERATING* (IVR Double B with Negative Outlook; ISSUER NOT COOPERATING*)	Downgraded & migrated to ISSUER NOT COOPERATING category	Simple
Total	35.00			

**Issuer not cooperating, based on best available information.*

Details of Facilities are in Annexure 1

Detailed Rationale

The rating downgrade is because of lack of adequate information regarding Krishna Defence and Allied Industries Limited'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.



Press Release

Non-cooperation by Issuer:

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide mail communications dated January 02, 2024, January 05, 2024, January 12, 2024, February 02, 2024, and telephonic follow ups. However, despite repeated requests by Infomerics, the company's management has not submitted all the essential details/information for surveillance exercise. Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics must assign the rating based on the best available information. Accordingly, the bank loan ratings aggregating to INR 35.00 Crore of Krishna Defence and Allied Industries Limited shall be rated as IVR BB/Negative; ISSUER NOT COOPERATING*, IVR A4; ISSUER NOT COOPERATING

Analytical Approach: Standalone Approach

Applicable Criteria:

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

[Criteria of assigning Rating outlook](#)

[Rating Methodology for Manufacturing Companies](#)

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

About the Company

Krishna Defence & Allied Industries Limited formerly known as Krishna Allied Industries Ltd was incorporated on September 10, 2013, is engaged in the diversified business of manufacturing equipment for Defence, Security, Dairy & Mega Kitchen equipment. To facilitate these 4 verticals, KDAIL has two manufacturing plants located at Kalol and Halol, Panchmahal District, Gujarat. The company combines its manufacturing strength with a pathbreaking strategy to serve the different verticals, Kalol Plant manufactures Dairy & Kitchen equipment, while Halol Plant is engaged in manufacturing Defence and Homeland Security Products.



Press Release

Financials (Standalone):

For the year ended* As on	INR in Crore	
	31-03-2021	31-03-2022
	Audited	Audited
Total Operating Income	35.03	49.92
EBITDA	4.61	6.89
PAT	1.86	2.46
Total Debt	20.85	17.58
Adjusted Tangible Net Worth	24.25	35.29
EBITDA Margin (%)	13.17	13.80
PAT Margin (%)	5.13	4.88
Overall Gearing Ratio (x)	0.81	0.34

* Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Ratings (Year 2023-24)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2022-23 (25 Jan 2023)	Date(s) & Rating(s) assigned in 2021-22	Date(s) & Rating(s) assigned in 2020-21
1.	Long term bank facilities	Long Term	14.06	IVR BB/Negative ; Issuer Not Cooperating	IVR BB+/Stable	-	-
2.	Short term bank facilities	Short Term	19.00	IVR A4; Issuer Not Cooperating	IVR A4+	-	-



Press Release

Sr. No.	Name of Instrument/Facilities	Current Ratings (Year 2023-24)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2022-23 (25 Jan 2023)	Date(s) & Rating(s) assigned in 2021-22	Date(s) & Rating(s) assigned in 2020-21
3.	Proposed Long term bank facilities	Long Term	1.94	IVR BB/Negative ; Issuer Not Cooperating	IVR BB+/ Stable	-	-

Name and Contact Details of the Rating Analyst:

Name: Mr. Prakash Kabra

Tel: (022) 62396023

Email: prakash.kabra@infomerics.com

About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations. Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary. For more information visit www.infomerics.com.



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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 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 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 Fund Based Facilities – Term Loan	-	-	Upto FY2029	2.06	IVR BB/Negative; Issuer Not Cooperating
Long Term Fund Based Facilities – Cash Credit	-	-	-	12.00	IVR BB/Negative; Issuer Not Cooperating
Short Term Non-Fund Based Facilities – Bank Guarantee	-	-	-	19.00	IVR A4; Issuer Not Cooperating
Long Term Fund Based Facilities – Proposed	-	-	-	1.94	IVR BB/Negative; Issuer Not Cooperating

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

Annexure 3: Facility wise lender details: Not Applicable.

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.