



SMERA RATINGS LIMITED

Mahateja Rice Mills Private Limited (MRMPL)

*Rating
Rationale*

June 27, 2015

Facilities	Amount (Rs. Crore)	Rating
Cash Credit	12.00	SMERA B+ / Stable (Assigned)
Term Loans	2.67	SMERA B+ / Stable (Assigned)
Bank Guarantee	0.20	SMERA A4 (Assigned)

SMERA has assigned long-term rating of '**SMERA B+**' (read as **SMERA single B plus**) and short-term rating of **SMERA A4** (read as **SMERA A four**) to Mahateja Rice Mills Private Limited's (MRMPL) above mentioned bank facilities. The rating is constrained by below average financial risk profile, moderate scale of operations and exposure to agro climatic risks amidst intense competition in the rice industry. However, the above mentioned risks are partially offset by the firm's locational advantage and experienced management.

About the Firm

Incorporated in 2002, Mahateja Rice Mills Private Limited is a Telangana based company engaged in processing and trading of rice. The company has set up a rice mill in Nalgonda district with an installed capacity of 250,000 tonnes per day.

For FY2013-14, MRMPL reported PAT of Rs. 0.51 crores on operating income of Rs. 43.59 crores as compared with PAT of Rs. 0.53 crores on operating income of Rs. 33.47 crores for FY2012-13.

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