

Press Release

Mahateja Rice Mills Private Limited

February 11, 2022



Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	16.93	ACUITE B+ Downgraded Issuer not co-operating*	-
Bank Loan Ratings	3.07	-	ACUITE A4 Downgraded Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	20.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE B+**' (read as **ACUITE single B plus**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) and the short term rating to '**ACUITE A4**' (read as **ACUITE A four**) from '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs. 20.00 crore bank facilities of Mahateja Rice Mills Private Limited (MRPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

About the Company

Telangana-based, Mahateja Rice Mills Private Limited was incorporated in 2002. The company is engaged in the processing and trading of rice. The company has set up a rice mill in Nalgonda district with an installed capacity of 70000 quintals per month. The directors, Mr. Narsimha Manchukonda and Mr. Kushaliah Bandaru have over three decades of experience in the rice milling industry.

Non-cooperation by the issuer/borrower:

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuite endeavoured to gather information about the entity/ industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest Financial Statements despite repeated attempts.

Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

Material Covenants

Not Applicable.

Liquidity Position

No information provided by the issuer / available for Acuite to comment upon.

Outlook

Not Applicable.

Status of non-cooperation with previous CRA

None.

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
12 Nov 2020	Letter of Credit	Short Term	0.87	ACUITE A4+ (Issuer not co-operating*)
	Cash Credit	Long Term	16.21	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Standby Line of Credit	Short Term	2.00	ACUITE A4+ (Issuer not co-operating*)
	Bank Guarantee	Short Term	0.20	ACUITE A4+ (Issuer not co-operating*)
	Term Loan	Long Term	0.72	ACUITE BB- (Downgraded and Issuer not co-operating*)
27 Aug 2019	Cash Credit	Long Term	16.21	ACUITE BB (Issuer not co-operating*)
	Letter of Credit	Short Term	0.87	ACUITE A4+ (Issuer not co-operating*)
	Term Loan	Long Term	0.72	ACUITE BB (Issuer not co-operating*)
	Bank Guarantee	Short Term	0.20	ACUITE A4+ (Issuer not co-operating*)
	Standby Line of Credit	Short Term	2.00	ACUITE A4+ (Issuer not co-operating*)
21 Jun 2018	Cash Credit	Long Term	16.21	ACUITE BB Stable (Upgraded from ACUITE BB- Stable)
	Term Loan	Long Term	0.72	ACUITE BB Stable (Upgraded from ACUITE BB- Stable)
	Standby Line of Credit	Short Term	2.00	ACUITE A4+ (Reaffirmed)
	Bank Guarantee	Short Term	0.20	ACUITE A4+ (Reaffirmed)
	Letter of Credit	Short Term	0.87	ACUITE A4+ (Assigned)
25 Sep 2017	Cash Credit	Long Term	12.00	ACUITE BB- Stable (Reaffirmed)
	Term Loan	Long Term	1.15	ACUITE BB- Stable (Reaffirmed)
	Bank Guarantee	Short Term	0.20	ACUITE A4+ (Reaffirmed)
	Standby Line of Credit	Short Term	1.80	ACUITE A4+ (Reaffirmed)
	Proposed Working Capital Demand Loan	Long Term	0.18	ACUITE BB- Stable (Reaffirmed)
17 Jun 2016	Cash Credit	Long Term	12.00	ACUITE BB- Stable (Upgraded from ACUITE B+ Stable)
	Term Loan	Long Term	1.15	ACUITE BB- Stable (Upgraded from ACUITE B+ Stable)
	Standby Line of Credit	Short Term	1.80	ACUITE A4+ (Assigned)
	Bank Guarantee	Short Term	0.20	ACUITE A4+ (Upgraded from ACUITE A4)
	Proposed Working Capital Demand Loan	Long Term	0.18	ACUITE BB- Stable (Assigned)
27 Jun	Cash Credit	Long Term	12.00	ACUITE B+ Stable (Assigned)
		Long		

2015	Term Loan	Term	2.67	ACUITE B+ Stable (Assigned)
	Bank Guarantee	Short Term	0.20	ACUITE A4 (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
State Bank of India	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	0.20	ACUITE A4 Downgraded Issuer not co-operating*
State Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	16.21	ACUITE B+ Downgraded Issuer not co-operating*
State Bank of India	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	0.87	ACUITE A4 Downgraded Issuer not co-operating*
State Bank of India	Not Applicable	Stand By Line of Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4 Downgraded Issuer not co-operating*
State Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	0.72	ACUITE B+ Downgraded Issuer not co-operating*

Contacts

Analytical	Rating Desk
Aditya Gupta Vice President-Rating Operations Tel: 022-49294041 aditya.gupta@acuite.in Aditya Sahu Analyst-Rating Operations Tel: 022-49294065 aditya.sahu@acuite.in	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuite.in

About Acuité Ratings & Research

Acuité Ratings & Research Limited is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 8,850 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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