

Press Release

Sri Shiva Durga Rice Industries

October 22, 2022



Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	18.00	ACUITE B+ Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	18.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has downgraded the long term rating to **'ACUITE B+' (read as ACUITE B plus)** from **'ACUITE BB-' (read as ACUITE double B minus)** on the Rs.18.00 crore bank facilities of Sri Shiva Durga Rice Industries (SSDRI). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

About the Company

Sri Shiva Durga Rice Industries (SSDRI) was incorporated in the year 2007 as a partnership firm. The firm is engaged in the milling of paddy and produces raw & boiled rice. The firm has a milling unit in Bebbigudem village of Nalgonda district of Telangana with an installed capacity of 5 tons per hour.

The promoters of the firm Mr. Kasam Jagan, Mrs. Kasam Swapna, Mr. Julakanti Udaykumar, Mrs. Julakanti Vijaykumari, Mr. Karnati Karuna and Mrs. Vangaviti Sridevi have long experience of more than one decade in the rice industry. SSDRI sale its product under the brand names of SD Gold and JJJ. The firm procures paddy directly from farmers and sells it to wholesalers. Its major market is Hyderabad city with 90 percent share and the rest is sold across the state of Telangana.

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 the due date.

Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

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 endeavored 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

None

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

Acuite 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>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.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
26 Jul 2021	Cash Credit	Long Term	3.00	ACUITE BB- (Issuer not co-operating*)
	Cash Credit	Long Term	12.00	ACUITE BB- (Issuer not co-operating*)
	Proposed Bank Facility	Long Term	3.00	ACUITE BB- (Issuer not co-operating*)
05 May 2020	Cash Credit	Long Term	3.00	ACUITE BB- Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	3.00	ACUITE BB- Stable (Assigned)
	Cash Credit	Long Term	12.00	ACUITE BB- Stable (Reaffirmed)
04 Feb 2019	Proposed Bank Facility	Long Term	3.00	ACUITE BB- Stable (Assigned)
	Cash Credit	Long Term	3.00	ACUITE BB- Stable (Reaffirmed)
	Cash Credit	Long Term	12.00	ACUITE BB- Stable (Reaffirmed)
29 Mar	Cash Credit	Long Term	12.00	ACUITE BB- Stable (Reaffirmed)

2018	Cash Credit	Long Term	3.00	ACUITE BB- Stable (Assigned)
03 Mar 2017	Cash Credit	Long Term	11.64	ACUITE BB- Stable (Upgraded from ACUITE B Stable)
	Term Loan	Long Term	0.36	ACUITE BB- Stable (Upgraded from ACUITE B Stable)
31 Dec 2015	Cash Credit	Long Term	6.50	ACUITE B Stable (Assigned)
	Term Loan	Long Term	1.08	ACUITE B Stable (Assigned)
	Proposed Working Capital Demand Loan	Long Term	2.00	ACUITE B Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Canara Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	12.00	ACUITE B+ Downgraded Issuer not co-operating*
Canara Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE B+ Downgraded Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE B+ Downgraded Issuer not co-operating*

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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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