

## Press Release

Shiv Shankar Rice Mills

November 08, 2021



### Rating Downgraded

<b>Total Bank Facilities Rated*</b>	Rs.13.0 Cr.
<b>Long Term Rating</b>	ACUITE C; Issuer Not Cooperating (Downgraded from ACUITE B+; Issuer Not Cooperating)

\* Refer Annexure for details

### Rating Rationale

Acuité has downgraded the long term rating to '**ACUITE C**' (**read as ACUITE C**) from '**ACUITE B+**' (**read as ACUITE B plus**) on the Rs.13.00 Cr. bank facilities of Shiv Shankar Rice Mills (SSRM). The rating continues to flagged as 'Issuer Not Cooperating' and is based on best available information.

#### Rationale for revision of ratings

The revision in rating is led by delay in repayment of the GECL loans (not rated by ACUITE). The banker has further stated that there has been instances of overdue in Cash Credit account (rated by ACUITE). Further, as the outstanding rating of the entity is at 'NCI', there also exist information risk.

#### About the rated entity

Shiv Shankar Rice Mills (SSRM) is a Haryana based entity that was established in 2003 as a partnership firm. SSRM is led by Mr. Anil Kumar Gupta and Mrs. Savita Gupta. The firm is engaged in the milling and processing of basmati rice. The firm procures the raw material i.e. paddy from Haryana, Punjab, Madhya Pradesh to name a few. Firm caters various locations through brokers.

#### Non-cooperation by the issuer/borrower:

Acuité 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.

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

This rating continues to be flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

#### Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Trading Entities - <https://www.acuite.in/view-rating-criteria-61.htm>

#### 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). Acuité endeavored to gather information about the entity/industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

**Liquidity Indicators** - "No information provided by the issuer / available for Acuite to comment upon."

**Rating Sensitivity** - "No information provided by the issuer / available for Acuite to comment upon."

### About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

### Status of non-cooperation with previous CRA (if applicable)

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.

### Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
05-Jan-2021	Cash Credit	Long Term	13.00	ACUITE C; Issuer Not Cooperating (Downgraded from ACUITE B+ Issuer not co-operating*)
10-Oct-2019	Cash Credit	Long Term	13.00	ACUITE B+ Issuer not co-operating* (Placed under Issuer Not Cooperating)
13-July-2018	Cash Credit	Long Term	13.00	ACUITE B+;/Stable (Reaffirmed)

### #Annexure – Details of instruments rated

Lender Name	Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Indian Bank	Cash Credit	Not Applicable	Not Applicable	Not Applicable	13.00	ACUITE C; Issuer Not Cooperating (Downgraded from ACUITE B+; Issuer Not Cooperating)

\*The issuer did not co-operate; based on best available information.

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### 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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