

Press Release

Aadhar Rice Mill Private Limited

January 17, 2019

Rating Withdrawn



Total Instruments Rated*	Rs. 14.00 Cr.
Long Term Rating	ACUITE BB+ (Withdrawn)

* Refer Annexure for details

Rating Rationale

Acuite has withdrawn the long term rating of '**ACUITE BB+**' (read as **ACUITE double B plus**) to the Rs.14.00 crore bank facilities of Aadhar Rice Mills Private Limited (ARPL). The rating withdrawal is in accordance with the Acuite's policy on withdrawal of rating.

The rating is being withdrawn on account of request received from the company and NOC received from the banker.

ARPL was established in 2009 as a Bihar-based company. It is involved in manufacturing of Non-Basmati rice with facility located at Saraikeela in Jharkhand with installed capacity of 4 TPH. The company procures paddy from local farmers in Jharkhand, Bihar and Uttar Pradesh. The company sells its products in the state of Bihar, Jharkhand, Delhi and Rajasthan. It also supplies to export houses.

Analytical Approach

ACUITE has consolidated the financial and business risk profiles of ARMPL and Shree Shakambari Rice Mills Private Limited, together referred to as the Aadhar Group, on account of high operational fungibility between the entities and common ownership.

About the Rated Entity Financials

	Unit	FY18 (Actual)	FY17 (Actual)	FY16 (Actual)
Operating Income	Rs. Cr.	172.25	149.52	133.67
EBITDA	Rs. Cr.	9.06	6.43	6.66
PAT	Rs. Cr.	3.30	0.77	0.44
EBITDA Margin	(%)	5.26	4.30	4.98
PAT Margin	(%)	1.92	0.52	0.33
ROCE	(%)	11.17	7.67	16.43
Total Debt/Tangible Net Worth	Times	1.71	2.04	1.88
PBDIT/Interest	Times	2.61	1.64	1.52
Total Debt/PBDIT	Times	4.76	6.50	5.51
Gross Current Assets (Days)	Days	129	137	150

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

None

Any other information:

None

Applicable Criteria

- Manufacturing entities-<https://www.acuite.in/view-rating-criteria-4.htm>
- Financial Ratios and Adjustments-<https://www.acuite.in/view-rating-criteria-20.htm>
- Default Recognition-<https://www.acuite.in/view-rating-criteria-17.htm>
- Consolidation of Companies-<https://www.acuite.in/view-rating-criteria-22.htm>

Note on complexity levels of the rated instrument:
<https://www.acuite.in/criteria-complexity-levels.htm>
Rating History (Upto last three years)

Date	Name of Instrument /Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
16-Mar-2018	Cash Credit	Long Term	12.50	ACUITE BB+ /Stable (Reaffirmed)
	Term Loan	Long Term	1.02	ACUITE BB+ /Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	0.48	ACUITE BB+ /Stable (Reaffirmed)
29-Jan-2018	Cash Credit	Long Term	12.50	ACUITE BB+ (Indicative)
	Term Loan	Long Term	1.40	ACUITE BB+ (Indicative)
	Proposed Bank Facility	Long Term	0.10	ACUITE BB+ (Indicative)
13-Jan-2017	Cash Credit	Long Term	12.50	ACUITE BB+/ Stable (Assigned)
	Term Loan	Long Term	1.40	ACUITE BB+/ Stable (Assigned)
	Proposed Bank Facility	Long Term	0.10	ACUITE BB+/ Stable (Assigned)

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	12.50	ACUITE BB+ (Withdrawn)
Term Loan	Not Applicable	Not Applicable	Not Applicable	1.02	ACUITE BB+ (Withdrawn)
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	0.48	ACUITE BB+ (Withdrawn)

Contacts

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (erstwhile SMERA Ratings 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 6,000 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 Mumbai.

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