Press Release

Raj Foods Industries

August 13, 2019

Rating Update

Total Bank Facilities Rated*	Rs. 11.00 Cr. #
Long Term Rating	ACUITE B- Issuer not co-operating* (Downgraded from ACUITE B+/Stable)
Short Term Rating	ACUITE A4 Issuer not co-operating* (Reaffirmed)

 # Refer Annexure for details
** The issuer did not co-operate; Based on best available information.*

Acuité has downgraded the long-term rating to '**ACUITE B-**' **(read as ACUITE B minus)** from '**ACUITE B+**' **(read as ACUITE B plus)** and reaffirmed the short term rating of **'ACUITE A4' (read as ACUITE A four)** on the Rs. 11.00 crore bank facilities of Raj Foods Industries (RFI). This rating is now an indicative rating and is based on best available information.

The downgrade in the rating is on account of absence of adequate feedback on the banking facilities of the firm.

The Raipur-based, Raj Foods Industries (RFI) is a proprietorship firm established in 2000. The firm is promoted by Mr. Tikam Das Sadhwani (Proprietor). The firm is engaged in the processing of rice. The manufacturing unit is located in Rajim (Chhattisgarh) with the installed capacity of 57600 metric tons of rice per annum.

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 due date.

This rating is therefore being 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-17.htm
- Manufacturing Entities - https://www.acuite.in/view-rating-criteria-4.htm
- Financial Ratios And Adjustments -https://www.acuite.in/view-rating-criteria-20.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 endeavoured 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.

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)

Not Applicable

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 (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
04-Jun-2018	Cash Credit	Long Term	7.00	ACUITE B+ / Stable (Reaffirmed)
	Term Loan	Long Term	1.78	ACUITE B+ / Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	0.22	ACUITE B+ / Stable (Reaffirmed)
	Bank Guarantee	Short Term	2.00	ACUITE A4 (Reaffirmed)
04-Mar-2017	Cash Credit	Long Term	7.00	ACUITE B+ / Stable (Assigned)
	Term Loan	Long Term	2.00	ACUITE B+ / Stable (Assigned)
	Bank Guarantee	Short Term	2.00	ACUITE A4 (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	7.00	ACUITE B- Issuer not co-operating* (Downgraded from ACUITE B+/Stable)
Term Loan	Not Applicable	Not Applicable	Not Applicable	1.78	ACUITE B- Issuer not co-operating* (Downgraded from ACUITE B+/Stable)
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	0.22	ACUITE B- Issuer not co-operating* (Downgraded from ACUITE B+/Stable)
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4 Issuer not co-operating* (Reaffirmed)

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

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.