

Press Release

Kamla Rice & General Mills

12 April, 2018

Rating Update

Total Bank Facilities Rated	Rs. 9.60 Cr. #
Long Term Rating	SMERA BB- Issuer not co-operating*

Refer Annexure for details

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

SMERA has reviewed the long-term rating of '**SMERA BB-**' (**read as SMERA double B minus**) on the Rs.9.60crore bank facilities of Kamla Rice & General Mills (KRGM). This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower

SMERA 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 required documents before due date.

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

Applicable Criteria

- Manufacturing Entities - <https://www.smera.in/criteria-manufacturing.htm>
- Default Recognition: <https://www.smera.in/criteria-default.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). SMERA endeavored to gather information about the entity/industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information on which the indicative credit rating is based.

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

About the rated entity

KRGM, established in 1994, is a Karnal-based proprietorship concern. The firm is engaged in the milling and processing of basmati and non-basmati rice and has an installed capacity of 1920 ton rice per month. The firm sells its products under the 'Good wish' brand name.

For FY2015-16, KRGM reported PAT (profit after tax) of Rs.0.20 crore on operating income of Rs.30.25 crore as compared to PAT of Rs.0.20 crore on operating income of Rs.31.62 crore for FY2014-15. The net worth stood at Rs.3.98 crore as on 31 March, 2016 as compared to Rs.3.86 crore the previous year. The net worth of Rs.3.98 crore in FY2016 includes quasi equity of Rs.2.57 crore.

Rating history (last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
10-April-2017	Cash Credit	Long Term	9.45	SMERA BB-/Stable (Assigned)
	Term Loan	Long Term	0.15	SMERA 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
Cash Credit	Not Applicable	Not Applicable	Not Applicable	9.45	SMERA BB- Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.15	SMERA BB- Issuer not co-operating*

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

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