

Press Release

Shivadarshan Agro Industries

December 21, 2020



Rating Update

Total Bank Facilities Rated*	Rs. 9.39 Cr #
Long Term Rating	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*

#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 plus**) from '**ACUITE BB-**' (**read as ACUITE double B minus**) on the Rs.9.39 crore bank facilities of Shivadarshan Agro Industries (SAI). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

Shivadarshan Agro Industries (SAI) established in 2001 is a Mangalore-based partnership firm engaged in rice milling activity. The firm is promoted by Mrs. Vanitha Nayak, Mr. Revathi B. Nayak, Mr. Balakrishna C. Nayak, Mr. Poornima V. Mallya and Mrs. Malathi S. Mallya. Its operations are managed by Mr. Balakrishna C Nayak.

SAI has an installed rice milling capacity of 7,200 tonnes per annum and caters to the domestic market, including states like Karnataka and Kerala. For FY2015-16, SAI reported net profit of Rs.0.35 crore on operating income of Rs.22.95 crore, as compared to net profit of Rs.0.36 crore on operating income of Rs.29.58 crore in the previous year. The net worth of the firm stood at Rs.8.02 crore as on 31 March, 2016 as against Rs.7.60 crore in the previous year.

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 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>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-59.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.

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
26-Sept-2019	Cash Credit	Long Term	9.00	ACUITE BB- Issuer not co-operating*
	Warehouse Receipt Loan	Long Term	0.30	ACUITE BB- Issuer not co-operating*
	Term Loan	Long Term	0.09	ACUITE BB- Issuer not co-operating*
30-June-2018	Cash Credit	Long Term	9.00	ACUITE BB- Issuer not co-operating*
	Warehouse Receipt Loan	Long Term	0.30	ACUITE BB- Issuer not co-operating*
	Term Loan	Long Term	0.09	ACUITE BB- Issuer not co-operating*
16-May-2017	Cash Credit	Long Term	9.00	ACUITE BB-/Stable (Assigned)
	Warehouse Receipt Loan	Long Term	0.30	ACUITE BB-/Stable (Assigned)
	Term Loan	Long Term	0.09	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	9.00	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
Warehouse Receipt Loan	Not Applicable	Not Applicable	Not Applicable	0.30	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.09	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*

*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 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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