

Press Release

Sri Jagannadha Surya Lakshmi Rice Mill

September 06, 2018



Rating Update

Total Bank Facilities Rated	Rs.11.50 Cr. #
Long Term Rating	ACUITE BB- Issuer not co-operating*
Short Term Rating	ACUITE A4+ Issuer not co-operating*

Refer Annexure for details

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

Rating Rationale

Acuité has reviewed the long term rating of '**ACUITE BB-**' (**read as ACUITE double B minus**) and short term rating of '**ACUITE A4+**' (**read as ACUITE A four plus**) to the Rs.11.50 crore bank facilities of Sri Jagannadha Surya Lakshmi Rice Mill (SJSLRM). This rating is now an indicative rating and is based on best available information.

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>
- Financial Ratios and Adjustments: <https://www.acuite.in/view-rating-criteria-20.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-4.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 Group:

Sri Jagannadha Surya Lakshmi Rice Mill (SJSLRM), Sri Balaji Rice Mill (SBRM) and Sri Satyalakshmi Rice Mill (SSRM) are engaged in the milling and processing of paddy into non-basmati rice.

Acuité has consolidated the financial and business risk profiles of SJSLRM, SSRM and SBRM. The consolidation is in view of the common ownership, similarity in the lines of business and operational linkages within the three firms.

On consolidated basis, for FY2016-17, the group reported profit after tax (PAT) of Rs.0.35 crore on operating income of Rs.97.75 crore compared to PAT of Rs.0.21 crore on operating income of Rs.55.42 crore in the previous year. The net worth stood at Rs.9.68 crore as on 31 March, 2017 compared to Rs.9.44 crore in the previous year.

Any other information:

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

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

None

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
20-Jun-2017	Cash Credit	Long Term	7.00	ACUITE BB-/Stable (Assigned)
	Bank guarantee/ Letter of Guarantee	Short Term	4.50	ACUITE A4+ (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	7.00	ACUITE BB- Issuer not co-operating*
Bank guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	4.50	ACUITE A4+ Issuer not co-operating*

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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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