

Press Release

Sri Jagannadha Surya Lakshmi Rice Mill

February 01, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	7.00	ACUITE B+ Reaffirmed Issuer not co-operating*	-
Bank Loan Ratings	4.50	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	11.50	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE B+**' (read as **ACUITE B plus**) and the short term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs. 11.50 crore bank facilities of Sri Jagannadha Surya Lakshmi Rice Mill (SJSLRM). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on best available information.

About the Company

Established in 1981, as a partnership firm, SJSLRM is engaged in processing of raw and boiled rice. Based in Palakollu (Andhra Pradesh), the entity is promoted by Mr. Jagannadha Raju, Mr. Rama Koti Raju, Mr. Dharma Raju and Mr. Ramachandra Raju. The entity has sortex and milling installed capacity of 6 Tons per hour (TPH). The promoters have two more rice mills - Sri Satyalakshmi Rice Mill (SSLRM) and Balaji Rice Mill (BRM) established in 1984 and 1983 respectively. Both these rice mills are based out of Palakollu with a milling capacity of 6 TPH each.

Non-cooperation by the issuer/borrower:

Acuite 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 the due date.

Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

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

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). Acuite endeavored to gather information about the entity / industry from the public domain. Therefore, Acuite 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 attempts.

Rating Sensitivity

No information provided by the issuer / available for Acuite to comment upon.

Material Covenants

Not applicable.

Liquidity Position

No information provided by the issuer / available for Acuite to comment upon.

Outlook

Not applicable.

Status of non-cooperation with previous CRA

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.

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
30 Oct 2020	Bank Guarantee	Long Term	4.50	ACUITE A4 (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	7.00	ACUITE B+ (Downgraded and Issuer not co-operating*)
22 Aug 2019	Cash Credit	Long Term	7.00	ACUITE BB- Stable (Reaffirmed)
	Bank Guarantee	Short Term	4.50	ACUITE A4+ (Reaffirmed)
07 Dec 2018	Cash Credit	Long Term	7.00	ACUITE BB- Stable (Reaffirmed)
	Bank Guarantee	Short Term	4.50	ACUITE A4+ (Reaffirmed)
06 Sep 2018	Cash Credit	Long Term	7.00	ACUITE BB- (Issuer not co-operating*)
	Bank Guarantee	Short Term	4.50	ACUITE A4+ (Issuer not co-operating*)
20 Jun 2017	Cash Credit	Long Term	7.00	ACUITE BB- Stable (Assigned)
	Bank Guarantee	Short Term	4.50	ACUITE A4+ (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Indian Bank	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	4.50	ACUITE A4 Reaffirmed Issuer not co-operating*
Indian Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	7.00	ACUITE B+ Reaffirmed Issuer not co-operating*

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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 8,850 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 Kanjurmarg, Mumbai.

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