

Press Release

Balaji Rice Mill (BRM)

31 January, 2018



Rating Update

Total Bank Facilities Rated*	Rs. 6.60 Cr. #
Long Term Rating (Indicative)	SMERA B Issuer not co-operating*

* Refer Annexure for details

Rating Rationale

SMERA has reviewed the long term rating of '**SMERA B** (read as SMERA B)' on the Rs. 6.60 crore bank facilities of Balaji Rice Mill (BRM). 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 such information 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

- Default Recognition - <https://www.smerra.in/criteria-default.htm>
- Manufacturing Entities - <https://www.smerra.in/criteria-manufacturing.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 endeavoured 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.

About the Rated Entity:

BRM was established in 1975, by Mr. Ramalinga Reddiar (Proprietor). The firm is engaged in the processing and trading of rice at Villupuram, TamilNadu and has a processing capacity of around 9,000 kg of rice per day.

In FY2015-16 (Provisional), the firm reported profit after tax (PAT) of Rs.0.10 crore on operating income of Rs.36.27 crore against PAT of Rs.0.08 crore on operating income of Rs.30.41 crore in the previous year.

Rating History for the last three years:

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
2 nd November 2016	Cash Credit	Long Term	6.00	SMERA B/Stable (Assigned)
	Term loan	Long Term	0.60	SMERA B/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	6.00	SMERA B (Indicative)
Term loans	Not Applicable	Not Applicable	Not Applicable	0.60	SMERA B (Indicative)

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

Contacts:

Analytical	Rating Desk
Vinayak Nayak, Head – Ratings Operations Tel: +91-22-6714 1190 Email: vinayak.nayak@smera.in	Varsha Bist Sr. Executive Tel: 022-67141160 Email: varsha.bist@smera.in
Avadhoot Mane, Rating Analyst, Tel: +91-22-6714 1138 Email: avadhoot.mane@smera.in	

ABOUT SMERA

SMERA Ratings Limited is a joint initiative of SIDBI, Dun & Bradstreet Information Services India Private Limited (D&B) and leading public and private sector banks in India. SMERA is registered with SEBI as a Credit Rating Agency and accredited by Reserve Bank of India. For more details, please visit www.smera.in.

Disclaimer: A SMERA rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. SMERA ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. SMERA ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.smera.in) for the latest information on any instrument rated by SMERA.