

Press Release

Raigarh Foods And Hotel Business Private Limited

September 03, 2018



Rating Update

Total Bank Facilities Rated*	Rs. 20.00 Cr.
Long Term Rating	ACUITE D (Downgraded from ACUITE B+/Stable; Issuer not co-operating*)
Short Term Rating	ACUITE D (Downgraded from ACUITE A4; 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 D**' (**read as ACUITE D**) from '**ACUITE B+**' (**read as ACUITE B plus**) and short term rating to '**ACUITE D**' (**read as ACUITE D**) from '**ACUITE A4**' (**read as ACUITE A four**) on the Rs. 20.00 crore bank facilities of Raigarh Foods And Hotel Business Private Limited. 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

Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.htm>
Default Recognition- <https://www.acuite.in/view-rating-criteria-17.htm>

Limitation regarding information availability: The rating is based on the oral information made available by the banker regarding the NPA status of the account. Other useful information such as financial was not made available. 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 Entity:

Incorporated in 1996 by Mr. Subhash Agarwal, Raigarh Foods and Hotel Business Private Limited (Raigarh Foods) is a Chhattisgarh-based company engaged in the processing of raw and par-boiled rice. The company has an installed capacity of 8 tonnes/per hour and sells rice under the 'Rajashree' brand name.

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 (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
20 July 2017	Cash Credit	Long Term	11.50	ACUITE B+/ Stable (Assigned)
	Proposed Facility	Long Term	1.50	ACUITE B+/ Stable (Assigned)
	Proposed Long Term Loan	Long Term	5.00	ACUITE B+/ Stable (Assigned)
	Bank Guarantee/ Letter of Guarantee	Short Term	2.00	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	11.50	ACUITE D Issuer not co-operating*
Proposed Facility	Not Applicable	Not Applicable	Not Applicable	1.50	ACUITE D Issuer not co-operating*
Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE D Issuer not co-operating*
Bank Guarantee/ Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE D 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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