

Press Release

GRM Overseas Limited

June 24, 2021

Rating Update



Total Bank Facilities Rated*	Rs. 220.00 Cr.#
Long Term Rating	ACUITE BB (Downgraded from 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.

Acuité has downgraded the long-term rating to '**ACUITE BB**' (read as **ACUITE double B**) from '**ACUITE BB+**' (read as **ACUITE double B plus**) and reviewed the short-term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs. 220.00 crore bank facilities of G R M Overseas Limited (GOL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

GOL was incorporated in the year 1994 as a private limited company by Mr. H.C. Garg and his son Mr. Rohit Garg. Later, in 1995 it was incorporated to limited company. The company is engaged in the milling and processing of basmati rice with an installed capacity of 800 metric ton rice per hour at Panipat, Haryana. The company procures the raw material i.e. paddy from local market and farmers. The company exports its entire product to countries such as Iran, USA, Middle East, etc.

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 the due date.

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

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.

Liquidity Indicators - "No information provided by the issuer / available for Acuite to comment upon."

Rating Sensitivity - "No information provided by the issuer / available for Acuite to comment upon."

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

Acuite 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
30-Mar-2020	Packing Credit	Short Term	82.00	ACUITE A4+ (Downgraded from ACUITE A3+) Issuer not co-operating*
	Standby Line of Credit	Long Term	15.00	ACUITE BB (Downgraded from ACUITE BBB) Issuer not co-operating*
	Packing Credit	Short Term	24.00	ACUITE A4+ (Downgraded from ACUITE A3+) Issuer not co-operating*
	Standby Line of Credit	Long Term	4.00	ACUITE BB (Downgraded from ACUITE BBB) Issuer not co-operating*
	Proposed Bank Facility	Short Term	95.00	ACUITE A4+ (Downgraded from ACUITE A3+) Issuer not co-operating*
16-Jan-2019	Packing Credit	Short Term	82.00	ACUITE A3+ (Upgraded from ACUITE A3)
	Standby Line of Credit	Long Term	15.00	ACUITE BBB/ Stable (Upgraded from ACUITE BBB-)
	Packing Credit	Short Term	24.00	ACUITE A3+ (Upgraded from ACUITE A3)
	Standby Line of Credit	Long Term	4.00	ACUITE BBB/ Stable (Upgraded from ACUITE BBB-)
	Proposed Bank Facility	Short Term	95.00	ACUITE A3+ (Upgraded from ACUITE A3)
	Term Loan	Long Term	1.50	ACUITE BBB/ Stable (Withdrawn)
24-Oct-2017	Term Loan	Long Term	1.50	ACUITE BBB- / Stable (Reaffirmed)
	Packing Credit	Short Term	106.00	ACUITE A3 (Reaffirmed)
	Standby Line of Credit	Long Term	19.00	ACUITE BBB- / Stable (Assigned)
	Proposed Bank Facility	Long Term	93.50	ACUITE BBB- / Stable (Assigned)
29-Sep-2017	Term Loan	Long Term	1.50	ACUITE BBB- / Stable (Assigned)
	Packing Credit	Short Term	21.50	ACUITE A3 (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
Packing Credit	Not Applicable	Not Applicable	Not Applicable	82.00	ACUITE A4+ Issuer not co-operating*
Standby Line of Credit	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
Packing Credit	Not Applicable	Not Applicable	Not Applicable	24.00	ACUITE A4+ Issuer not co-operating*

Standby Line of Credit	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	95.00	ACUITE A4+ Issuer not co-operating*

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

Contacts

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About Acuite Ratings & Research:

Acuite 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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