



Press Release
B D RICE EXPORTS SUBHASH CHAND (HUF)
February 03, 2025
Rating Downgraded and Issuer not co-operating

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|---|------------------|---|-------------------|
| Bank Loan Ratings | 8.50 | ACUITE B- Downgraded Issuer not co-operating* | - |
| Total Outstanding Quantum (Rs. Cr) | 8.50 | - | - |
| Total Withdrawn Quantum (Rs. Cr) | 0.00 | - | - |
| * The issuer did not co-operate; based on best available information. | | | |

Rating Rationale

Acuite has downgraded the long-term rating to ‘**ACUITE B-**’ (read as **ACUITE B minus**) from ‘**ACUITE B**’ (read as **ACUITE B**) on the Rs.8.50 crore bank facilities of B D Rice Exports Subhash Chand (HUF) on account of information risk. The rating continues to be flagged as “Issuer Not-Cooperating” and is based on the best available information.

About the Company

The Punjab based, B D Rice Exports Subhash Chand (HUF) was established in 2015 as a HUF concern by Mr. Subhash Chand. The firm is engaged in the business of milling and trading of basmati rice with an installed capacity of 3 ton per hour. The manufacturing facility is located in Sangrur (Punjab). The firm procures the raw material i.e. paddy from the local market and sells the final output i.e. rice in the domestic market. The firm sells rice under the 'Shauna' brand name.

Unsupported Rating

Not Applicable

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 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

This rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower) . Acuite endeavoured to gather information about the entity/industry from the public domain. Any rating with the suffix 'Issuer not cooperating' is assigned without any management interaction with the issuer entity or any data / information from the entity. Sometimes this non co-operation by a rated entity may be due to a result of deterioration in the credit risk profile of the entity. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivity

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

Liquidity Position

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

Outlook

Not Applicable

Other Factors affecting Rating

None

Key Financials

| Particulars | Unit | FY 17 (Actual) | FY 16 (Actual) |
|-------------------------------|---------|----------------|----------------|
| Operating Income | Rs. Cr. | 19.88 | 6.70 |
| PAT | Rs. Cr. | 0.32 | 0.17 |
| PAT Margin | (%) | 1.61 | 2.58 |
| Total Debt/Tangible Net Worth | Times | 3.85 | 3.81 |
| PBDIT/Interest | Times | 1.83 | 3.05 |

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

| Date | Name of Instruments/Facilities | Term | Amount (Rs. Cr) | Rating/Outlook |
|-------------|--------------------------------|-----------|-----------------|--|
| 08 Nov 2023 | Term Loan | Long Term | 0.95 | ACUITE B (Reaffirmed & Issuer not co-operating*) |
| | Cash Credit | Long Term | 1.00 | ACUITE B (Reaffirmed & Issuer not co-operating*) |
| | Proposed Long Term Loan | Long Term | 2.55 | ACUITE B (Reaffirmed & Issuer not co-operating*) |
| | Cash Credit | Long Term | 4.00 | ACUITE B (Reaffirmed & Issuer not co-operating*) |
| 18 Aug 2022 | Cash Credit | Long Term | 4.00 | ACUITE B (Reaffirmed & Issuer not co-operating*) |
| | Term Loan | Long Term | 0.95 | ACUITE B (Reaffirmed & Issuer not co-operating*) |
| | Cash Credit | Long Term | 1.00 | ACUITE B (Reaffirmed & Issuer not co-operating*) |
| | Proposed Long Term Loan | Long Term | 2.55 | ACUITE B (Reaffirmed & Issuer not co-operating*) |

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Annexure - Details of instruments rated

| Lender's Name | ISIN | Facilities | Date Of Issuance | Coupon Rate | Maturity Date | Quantum (Rs. Cr.) | Complexity Level | Rating |
|----------------------|----------------------|-------------------------|----------------------|----------------------|----------------------|-------------------|------------------|---|
| Punjab National Bank | Not avl. / Not appl. | Cash Credit | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 4.00 | Simple | ACUITE B- Downgraded Issuer not co-operating* (from ACUITE B) |
| Punjab National Bank | Not avl. / Not appl. | Cash Credit | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 1.00 | Simple | ACUITE B- Downgraded Issuer not co-operating* (from ACUITE B) |
| Not Applicable | Not avl. / Not appl. | Proposed Long Term Loan | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 2.55 | Simple | ACUITE B- Downgraded Issuer not co-operating* (from ACUITE B) |
| Punjab National Bank | Not avl. / Not appl. | Term Loan | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 0.95 | Simple | ACUITE B- Downgraded Issuer not co-operating* (from ACUITE B) |

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

Contacts

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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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