

Press Release

Raghav Agri-Tech

April 27, 2020



Rating update

Total Bank Facilities Rated#	Rs.45.00 Cr.#
Long Term Rating	ACUITE B- (Downgraded from ACUITE BB-/ Stable) Issuer not co-operating*

#Refer Annexure for details

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

Rating Rationale

Acuité has downgraded the long-term rating to **'ACUITE B-' (read as ACUITE double B plus)** from **'ACUITE BB-' (read as ACUITE double B minus)** to Rs.45.00 crore bank facilities of Raghav Agritech. This rating is now an indicative rating and is based on best available information.

Raghav Agritech, incorporated in 2015, is engaged in manufacture of agro shade nets, aquaculture, tea withering nets, ground covers, mulch films etc. in Valsad, Gujarat. The partners are Mr. Madan K. Atkare, Mr. Dinesh K. Atkare and Mrs. Dipali D. Atkare. The total installed capacity is around 30 TPD. The commercial operations commenced from 30th December 2018. The firm has tieup with MAIDC to supply daily 10 tons of the product resulting in revenue generation around Rs.12 crore as on date. The firm has 42 dealers.

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.

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.

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.

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

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. Cr)	Ratings/Outlook
21-Feb-2019	Cash Credit	Long Term	5.00	ACUITE BB-/ Stable (Reaffirmed)
	Term Loan	Long Term	40.00	ACUITE BB-/ Stable (Reaffirmed)
15-Feb-2018	Cash Credit	Long Term	5.00	ACUITE BB-/ Stable (Assigned)
	Term Loan	Long Term	40.00	ACUITE BB-/ 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	5.00	ACUITE B- (Downgraded from ACUITE BB-/Stable) Issuer not co-operating*
Term Loan	Not Available	Not Applicable	Not Available	40.00	ACUITE B- (Downgraded from ACUITE BB-/Stable) 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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