

## Press Release

Sharda Rice Mill

April 06, 2022



### Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	75.00	ACUITE BB-   Downgraded   Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	75.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

### Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE BB-**' (read as **ACUITE double B minus**) from '**ACUITE BB**' (read as **ACUITE double B**) on the Rs. 75.00 crore bank facilities of Sharda Rice Mill (SRM). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

### About the Company

The firm was established in 1998 as a partnership firm by Mr. Dilip Doshi, Mr. Tapan Doshi and others. The firm is engaged in milling of non-basmati rice at Nagpur, Maharashtra with an installed capacity of 45 tons of rice per hour. The firm also started trading of pulses in FY2017. The company procures raw material, i.e. paddy from the local market and from farmers and sells its products mainly to Southern India and Central parts of India.

### 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.

This rating continues to be flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

### 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). Acuite endeavored to gather information about the entity/industry from the public domain. Therefore, Acuite 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.

## Rating Sensitivity

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

## Material Covenants

Not Applicable

## Liquidity Position

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

## Outlook

Not Applicable

## Status of non-cooperation with previous CRA

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.

## Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

## Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
05 Jan 2021	Term Loan	Long Term	0.65	ACUITE BB (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	35.00	ACUITE BB (Downgraded and Issuer not co-operating*)
	Ad-hoc limits (Fund Based)	Long Term	5.00	ACUITE BB (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	10.00	ACUITE BB (Downgraded and Issuer not co-operating*)
	Proposed Bank Facility	Long Term	21.35	ACUITE BB (Downgraded and Issuer not co-operating*)

	Term Loan	Long Term	3.00	ACUITE BB (Downgraded and Issuer not co-operating*)
10 Oct 2019	Ad-hoc limits (Fund Based)	Long Term	5.00	ACUITE BB+ (Issuer not co-operating*)
	Term Loan	Long Term	0.65	ACUITE BB+ (Issuer not co-operating*)
	Cash Credit	Long Term	10.00	ACUITE BB+ (Issuer not co-operating*)
	Cash Credit	Long Term	35.00	ACUITE BB+ (Issuer not co-operating*)
	Proposed Bank Facility	Long Term	21.35	ACUITE BB+ (Issuer not co-operating*)
	Term Loan	Long Term	3.00	ACUITE BB+ (Issuer not co-operating*)
28 Aug 2018	Cash Credit	Long Term	35.00	ACUITE BB+   Stable (Assigned)
	Cash Credit	Long Term	10.00	ACUITE BB+   Stable (Assigned)
	Ad-hoc limits (Fund Based)	Long Term	5.00	ACUITE BB+   Stable (Assigned)
	Term Loan	Long Term	3.00	ACUITE BB+   Stable (Assigned)
	Term Loan	Long Term	0.65	ACUITE BB+   Stable (Assigned)
	Proposed Bank Facility	Long Term	21.35	ACUITE BB+   Stable (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Union Bank of India	Not Applicable	Ad-hoc Limits (Fund Based)	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE BB-   Downgraded   Issuer not co-operating*
Union Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	35.00	ACUITE BB-   Downgraded   Issuer not co-operating*
Union Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE BB-   Downgraded   Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	21.35	ACUITE BB-   Downgraded   Issuer not co-operating*
Union Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	3.00	ACUITE BB-   Downgraded   Issuer not co-operating*
Union Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	0.65	ACUITE BB-   Downgraded   Issuer not co-operating*

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### About Acuité Ratings & Research

Acuité 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 8,850 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 Kanjurmarg, Mumbai.

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