

Press Release

Shree Bhagwati Agrotech Private Limited

June 12, 2020



Rating Update

Total Bank Facilities Rated*	Rs. 19.00 Cr. #
Long Term Rating	ACUITE B+ (Downgraded from ACUITE BB-/ Stable) Issuer not co-operating*
Short Term Rating	ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating*

Refer Annexure for details`

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

Erratum: In the original PR dated 15th November, 2019, the statement about the indicative rating being based on best available information was missing which has been updated in this version.

Rating Rationale

Acuité has downgraded the rating of Shree Bhagwati Agrotech Private Limited to '**ACUITE B+** (**read as Acuité B plus**) from '**ACUITE BB-**' (**read as Acuité double B minus**). The short term rating has been downgraded to '**ACUITE A4**' (**read as Acuité A four**) from '**ACUITE A4+**' (**read as Acuité A four plus**). This rating is now an indicative rating and is based on best available information. The rating downgrade is on account of information risk.

Incorporated in 2016, Shree Bhagwati Agrotech Private Limited (SBAPL) is a Siliguri based company promoted by Mr Aditya Dalmia, Bhagwati Prasad Dalmia and Babita Dalmia. The company manufactures wheat based products such as 'maida', 'suji' and 'atta'. The manufacturing flour mill with an installed capacity of 45000 MT. the commercial operations started in October, 2016.

Mr Bimal Dalmia, key management personnel, has more than 3 decade of experience in food industry by virtue of his association to M/s Shree Bhagwati Rice Mill (proprietory concern) and involvement in managing traditional flour mill.

Analytical Approach

Acuité has considered the standalone business and financial risk profiles of SBAPL to arrive at this rating.

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.

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 is therefore being 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>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-53.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 attempts.

Status of non-cooperation with previous CRA (if applicable)

Not applicable

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
05-Oct-2018	Cash Credit	Long Term	4.00	ACUITE BB-/Stable (Assigned)
	Term Loan	Long Term	6.83	ACUITE BB-/Stable (Assigned)
	Proposed	Long Term	7.92	ACUITE BB-/Stable (Assigned)
	Bank Guarantee/ Letter of Guarantee	Short Term	0.25	ACUITE A4+ (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE B+ (Downgraded from ACUITE BB-/ Stable) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	6.83	ACUITE B+ (Downgraded from ACUITE BB-/ Stable) Issuer not co-operating*
Proposed	Not Applicable	Not Applicable	Not Applicable	7.92	ACUITE B+ (Downgraded from ACUITE BB-/ Stable) Issuer not co-operating*
Bank Guarantee/ Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	0.25	ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating*

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

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (Erstwhile ACUITE 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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