

Press Release

Rajkamal Agro Industries

February 10, 2022



Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	19.99	ACUITE BB- Downgraded Issuer not co-operating*	-
Bank Loan Ratings	0.01	-	ACUITE A4 Downgraded Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	20.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuité has downgraded the long-term rating to '**ACUITE BB-**' (**read as ACUITE double B minus**) from '**ACUITE BB**' (**read as ACUITE double B**) and short term rating to '**ACUITE A4**' (**read as ACUITE A four**) from '**ACUITE A4+**' (**read as ACUITE A four plus**) on the Rs.20.00 Cr bank facilities of Rajkamal Agro Industries (RAI). The rating is flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

About the Company

Established in the year 2005, Rajkamal Agro Industries is a Deesa (North Gujarat) - based partnership firm. The firm was established by Mr. Ratanlal Babulal Agarwal and Mr. Hansrajbhai Babulal Agarwal. The firm is engaged in manufacturing, processing and exporting of hulled, natural and black sesame seed. The firm exports the sesame seeds to countries like- UK, Europe, Turkey, Russia, Sudan, etc., to name a few. The company has an installed capacity of 50 MT/Day.

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 noncooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating is flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité'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). 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.

Rating Sensitivities

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

Material Covenants

None

Liquidity Position

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

Outlook

None

Key Financials:

The rated entity has not shared the latest financial statements despite repeated requests.

Status of non-cooperation with previous CRA

CARE vide its press release dated 31 August 2021, has mentioned the rating of RAI to 'CARE B/Stable/A4' (Issuer Not Cooperating; Downgraded) as on 31 August 2021.

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

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

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
03 Dec 2020	Cash Credit	Long Term	17.99	ACUITE BB Stable (Reaffirmed)
	Term Loan	Long Term	2.00	ACUITE BB Stable (Assigned)
	Bank Guarantee	Short Term	0.01	ACUITE A4+ (Reaffirmed)
16 Dec 2019	Bank Guarantee	Short Term	0.01	ACUITE A4+ (Reaffirmed)
	Cash Credit	Long Term	17.99	ACUITE BB Stable (Upgraded from ACUITE BB- Stable)
26 Nov 2018	Cash Credit	Long Term	12.00	ACUITE BB- Stable (Assigned)
	Bank Guarantee	Short Term	0.01	ACUITE A4+ (Assigned)
	Proposed Bank Facility	Long Term	5.99	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
Bank of Baroda	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	0.01	ACUITE A4 Downgraded Issuer not co-operating* (from ACUITE A4+)
Bank of Baroda	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	17.99	ACUITE BB- Downgraded Issuer not co-operating* (from ACUITE BB)
Bank of Baroda	Not Applicable	Term Loan	Not available	Not available	Not available	2.00	ACUITE BB- Downgraded Issuer not co-operating* (from ACUITE BB)

Contacts

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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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