

Press Release

Dhanalakshmi Hi-Tech Modern Rice Mill

August 24, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	7.30	ACUITE B+ Reaffirmed Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	7.30	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating to '**ACUITE B+(read as ACUITE B plus)**' on the Rs.7.30 crore bank facilities of Dhanalakshmi Hi-Tech Modern Rice Mills. The rating downgrade is 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

Tamil Nadu based Dhanalakshmi Hi-Tech Modern Rice Mill (DHMRM) was established in 1984 by Mr. Maniraj and his spouse as a partnership firm. DHMRM is engaged in processing of paddy into rice. It deals in the boiled rice category of rice. It sells under the brand name of Singam and Karnataka Raja Bhogam. The firm operates on a capacity of 30MT per day.

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 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:

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 endeavoured 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 Acuité to comment upon.

Material Covenants

None

Liquidity Position

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

Outlook

Not Applicable

Status of non-cooperation with previous CRA

None

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>

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
28 May 2021	Proposed Bank Facility	Long Term	2.00	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	1.30	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	4.00	ACUITE B+ (Downgraded and Issuer not co-operating*)
13 Mar 2020	Cash Credit	Long Term	4.00	ACUITE BB- Stable (Reaffirmed)
	Term Loan	Long Term	1.30	ACUITE BB- Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	2.00	ACUITE BB- Stable (Reaffirmed)
07 Jan 2019	Term Loan	Long Term	1.30	ACUITE BB- Stable (Assigned)
	Cash Credit	Long Term	4.00	ACUITE BB- Stable (Assigned)
	Cash Credit	Long Term	2.00	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
Canara Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE B+ Reaffirmed Issuer not co- operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE B+ Reaffirmed Issuer not co- operating*
Canara Bank	Not Applicable	Term Loan	Not available	Not available	Not available	1.30	ACUITE B+ Reaffirmed Issuer not co- operating*

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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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