

## Press Release

### RSH Agro Products Limited

October 17, 2022



### Rating Downgraded, Reaffirmed and Issuer not co-operating

| Product                            | Quantum (Rs. Cr) | Long Term Rating                                   | Short Term Rating                                  |
|------------------------------------|------------------|--|--|
| Bank Loan Ratings                  | 18.00            | -  | ACUITE A4+   Reaffirmed   Issuer not co-operating* |
| Bank Loan Ratings                  | 27.00            | ACUITE BB-   Downgraded   Issuer not co-operating* | -  |
| Total Outstanding Quantum (Rs. Cr) | 45.00            | -  | -  |
| Total Withdrawn Quantum (Rs.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**) and reaffirmed the short-term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs.45.00 crore bank facilities of RSH Agro Products Limited. The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

### About the Company

Incorporated in 2012, RAPL is an Assam based company promoted by Mr. Kamal Kumar Harlalka and Mr. Hemant Harlalka. The company is into manufacturing and refining of mustard oil, RBD Palmolein Oil and Blended Edible Vegetable Oils (BEVO). The company's extraction unit for mustard seed milling has an installed capacity of 21,000 Metric Tonnes per annum (MTPA) and blending of other oils processing capacity stood at 24,000 Metric Tonnes per annum (MTPA). RAPL sells its produce under several brand names, such as, Prime, Anmol, Swad and others, mainly to the north eastern states 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.

Acuite 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 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

None

### Liquidity Position

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

### Outlook

Not Applicable

### Other Factors affecting Rating

None

### Status of non-cooperation with previous CRA

None

### Any other information

Acuite 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>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.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                                       |
|-------------|--------------------------------|------------|-----------------|--|
| 21 Jul 2021 | Cash Credit                    | Long Term  | 25.00           | ACUITE BB (Downgraded and Issuer not co-operating*)  |
|             | Letter of Credit               | Short Term | 0.30            | ACUITE A4+ (Issuer not co-operating*)                |
|             | Term Loan                      | Long Term  | 2.00            | ACUITE BB (Downgraded and Issuer not co-operating*)  |
|             | Working Capital Term Loan      | Short Term | 17.70           | ACUITE A4+ (Issuer not co-operating*)                |
| 20 Apr 2020 | Working Capital Term Loan      | Short Term | 17.70           | ACUITE A4+ (Downgraded and Issuer not co-operating*) |
|             | Letter of Credit               | Short Term | 0.30            | ACUITE A4+ (Downgraded and Issuer not co-operating*) |
|             | Cash Credit                    | Long Term  | 25.00           | ACUITE BB+ (Downgraded and Issuer not co-operating*) |
|             | Term Loan                      | Long Term  | 2.00            | ACUITE BB+ (Downgraded and Issuer not co-operating*) |

|                |                           |            |       |                                |
|----------------|---------------------------|------------|-------|--------------------------------|
| 05 Feb<br>2019 | Working Capital Term Loan | Short Term | 17.70 | ACUITE A3+ (Assigned)          |
|                | Cash Credit               | Long Term  | 25.00 | ACUITE BBB   Stable (Assigned) |
|                | Letter of Credit          | Short Term | 0.30  | ACUITE A3+ (Assigned)          |
|                | Term Loan                 | Long Term  | 2.00  | ACUITE BBB   Stable (Assigned) |

## Annexure - Details of instruments rated

| Lender's Name        | ISIN           | Facilities                | Date Of Issuance | Coupon Rate    | Maturity Date  | Quantum (Rs. Cr.) | Rating  |
|----------------------|----------------|---------------------------|------------------|----------------|----------------|-------------------|---|
| Punjab National Bank | Not Applicable | Cash Credit               | Not Applicable   | Not Applicable | Not Applicable | 25.00             | ACUITE BB-   Downgraded   Issuer not co-operating* (from ACUITE BB) |
| Punjab National Bank | Not Applicable | Letter of Credit          | Not Applicable   | Not Applicable | Not Applicable | 0.30              | ACUITE A4+   Reaffirmed   Issuer not co-operating*                  |
| Punjab National Bank | Not Applicable | Term Loan                 | Not available    | Not available  | Not available  | 2.00              | ACUITE BB-   Downgraded   Issuer not co-operating* (from ACUITE BB) |
| Punjab National Bank | Not Applicable | Working Capital Term Loan | Not available    | Not available  | Not available  | 17.70             | ACUITE A4+   Reaffirmed   Issuer not co-operating*                  |

## Contacts

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|--|--|
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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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