

Rating Rationale

Amaresh Rice Mill

12th October 2017

Brickwork Ratings has reviewed the Rating for the bank loan facilities of Rs.15.99 Crs of Amaresh Rice Mill based on best available information, as the issuer did not cooperate. And the facility availed reportedly has become non-performing asset. Accordingly the Long term rating for the said instrument is downgraded to BWR D.

Particulars

Facility Rated	Amount (Rs. Crs)		Tenure	Rating *	
	Previous	Present		Previous	Present
Fund Based			Long Term	BWR C-	Issuer did not Co-operate; Downgraded to BWR D BWR Single D
Cash Credit	6.30	6.30			
Term Loan	9.54	9.54			
Non Fund Based			Short Term	BWR A4	Issuer did not Co-operate; Reaffirmed BWR A4 BWR A Four
Bank Guarantee	0.15	0.15			
Total	15.99	15.99	(Rupees Fifteen Crores Ninety Nine lakhs Only)		

* Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

*Issuer did not cooperate; Based on best available information

Rating downgraded.

Rationale/Description of Key Rating Drivers/Rating sensitivities:

BWR has principally relied upon the banker's feedback on **Amaresh Rice Mill**, who informed that the Firm was irregular in servicing its debt obligation and has now become non-performing asset. No business, financial and management information were provided by Amaresh Rice Mill. Hence BWR is unable to assess the Firm's financial and Business performance.

Based on the banker's feedback on the same, the Long Term Ratings of the Firm is Downgraded to BWR D/BWR A4 from BWR C-/BWR A4.

Limitations of the rating:

Information availability risk is a key factor in the assessment of credit risk and noncooperation by the firm to provide required information for a review of the assigned rating may also be accompanied by financial stress.

About the Firm (Business information as per previous review)

Amaresh Rice Mills (ARM) was established as a partnership firm in the year 2004 by Mrs. Supriya Hazra. The registered office of the firm is based in Burdwan, West Bengal. ARM is engaged in milling and processing of paddy into rice, rice bran, broken rice, and husk. The firm produces raw and boiled rice and is focused on domestic sales of rice. The rice mill is situated in Burdwan, West Bengal with an installed milling capacity of 180 tons per day under 3 shifts. The firm also derives income from sales of by products like broken rice, husk and bran. As the mill is located in a major paddy growing region, most of the paddy requirement is met locally from the farmers through agents.

Firm Financial Performance

There was no business, financial and management information available hence BWR is unable to assess the Firm's financial performance.

Rating History for the last three years (including withdrawn/suspended ratings)

Instrument/Facility	Rated Amount in Crs	Current Rating (2017)	Rating History		
			2016	2015	2014
Cash Credit	6.30	BWR D	Not Reviewed	Not Rated	BWR C- /BWRA4
Term Loan	9.54				
Bank Guarantee	0.15	BWR A4	Not Reviewed	Not Rated	BWR A4
Total	15.99	(Rupees Fifteen Crores Ninety Nine lakhs Only)			

***Issuer did not Co-operate; Based on best available information**

Status of non-cooperation with previous CRA (if applicable): Not Applicable

Hyperlink/Reference to applicable Criteria / Policies

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [What Constitutes Non-cooperation](#)

For any other criteria to be hyperlinks from website to be taken

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For print and digital media

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Note on complexity levels of the rated instrument:

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at www.brickworkratings.com/download/ComplexityLevels.pdf Investors queries can be sent to info@brickworkratings.com.

About Brickwork Ratings

Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, has also been accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a Nationalized Bank, as its promoter and strategic partner.

BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Guwahati, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 9,30,000 Cr. In addition, BWR has rated about 5000 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹19,700 Cr have been rated. Brickwork has a major presence in rating of nearly 100 cities.

DISCLAIMER

Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented “as is” without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.

Amaresh Rice Mill
Bank Facilities *
Annexure I

<u>Facilities</u>	<u>Tenure</u>	<u>Facility Type</u>	<u>Amount Rated (Rs. Crs)*</u>
Cash Credit	Long Term	Fund Based	6.54
Term Loan	Long Term	Fund Based	9.54
Bank Guarantee	Short Term	Non Fund Based	0.15
Total			15.99

***As per information available with BWR**

Annexure II *

(Rs. In Crores)

<u>Particulars</u>	<u>FY2012-13</u>	<u>FY2011-12</u>
Net Sales/Revenues	32.59	21.09
EBIDTA	2.04	1.02
PAT	0.04	0.04
Tangible Networth	7.19	2.72
Total Debt : TNW	2.19	2.14
Current Ratio	3.09	1.67

***As per information available with BWR**