

## RATING RATIONALE

23 Apr 2020

### AS Rice Industries

**Brickwork Ratings revises the ratings for the Bank Loan Facilities of ₹5.91 Crores of AS Rice Industries based on best available information, as the issuer did not cooperate.**

#### Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (Dec 2017)	Present
Fund Based	5.91	5.91	Long Term	BWR B/Stable	BWR C (Downgraded) Issuer Not Cooperating*
<b>Total</b>	<b>5.91</b>	<b>5.91</b>	<b>INR Five Crores and Ninety One Lakhs Only</b>		

# Please refer to BWR website [www.brickworkratings.com/](http://www.brickworkratings.com/) for definition of the ratings

\*Issuer did not cooperate, based on best available information.

#### RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

In view of the non-availability of the information, non-submission of monthly statement as per regulatory requirements and lack of management cooperation, Brickwork Ratings has downgraded the long term rating from 'BWR B/Stable' to 'BWR C Issuer Not Cooperating' for the bank loan facilities amounting to ₹5.91 Cr of Venus Enterprises.

The lenders may note to exercise due caution while using the above ratings, which mentions "Issuer Not Cooperating" since the ratings lack any projections of a forward looking component as it is arrived based on the best available information on the trust without any management/ banker's interaction.

The rating was due for a review in Dec 2018. BWR took up with the issuer to provide required information over emails and through telephone calls. Despite the best efforts of BWR to get at least the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the issuer, BWR is unable to assess the issuer's financial performance and its ability to service its debt and maintain a valid rating.

#### LIMITATIONS OF THE RATING

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

**KEY FINANCIAL INDICATORS (in (₹ Cr) [AS AVAILABLE WITH BWR]**

Key Parameters	Units	FY17
Result Type		Audited
Total Operating Income	₹ Cr	15.81
Operating Profit	₹ Cr	0.87
Net Profit	₹ Cr	0.09
Tangible Networkth	₹ Cr	3.19
Total Debt: Tangible Networkth	Times	1.73
Current Ratio	Times	1.31

**PROFILE OF THE FIRM**

A S Rice Industries, established in 2011, is a partnership firm engaged in paddy milling and trading of Parboiled rice. The partners of the firm are Mr. K Mohammed Nasrulla, his younger son Mr. N Faheemulla and Ms. Hajira Begum (Wife of Mr. N Faheemulla). It is located in T Narasipur Taluk in Mysore, Karnataka.

**NON-COOPERATION WITH PREVIOUS RATING AGENCY: NA**

**RATING HISTORY**

Facilities	Current Rating (2020)			Rating History		
	Tenure	Amount (₹ Cr)	Rating	2019	2018	27.12.2017
Fund Based	Long Term	5.91	<b>BWR C (Downgraded) Issuer Not Cooperating</b>	Not Rated	Not Rated	BWR B/Stable
Total		5.91	INR Five Crores and Ninety One Lakhs Only			

The firm was initially rated in October 2016 with long term rating of BWR B/Stable

**COMPLEXITY LEVELS OF THE INSTRUMENTS**

For more information, visit [www.brickworkratings.com/download/ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf)

### Hyperlink/Reference to applicable Criteria

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

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## AS Rice Industries ANNEXURE I

### Details of Bank Facilities rated by BWR

Name of the Bank	Type of Facilities	Long Term (₹ Cr)	Short Term (₹ Cr)	Total (₹ Cr)
State Bank Of India	Term Loans	1.33	-	1.33
	Cash Credit	4.00	-	4.00
	SLC	0.60	-	0.60
<b>Total</b>				<b>5.91</b>

#### For print and digital media

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**About Brickwork Ratings:** Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, 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 leading public sector 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, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations.

#### **DISCLAIMER**

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