

RATING RATIONALE

Adarsh Rice Mill

Brickwork Ratings downgrades the long term rating and reaffirms the short term rating for the Bank Loan Facilities ₹ 10.22 crores of Adarsh Rice Mill based on best available information, as under the issuer did not cooperate.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (May,2019)	Present
Fund Based	9.22	9.22	Long Term	BWR BB-Stable	BWR B+ Stable Downgraded Issuer Not Cooperating
Non-fund Based	1.00	1.00	Short Term	BWR A4	BWR A4 Reaffirmed Issuer Not Cooperating
Total	10.22	10.22	INR Ten Crores Twenty Two 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 ACTION/ OUTLOOK/NATURE OF NON-COOPERATION :

Brickwork Ratings downgrades the long term rating and reaffirms the short term rating to BWR B+(Stable)/A4 Issuer not Cooperating from BWR BB-(Stable)/A4 for the Bank Loan Facilities ₹ 10.22 crores of Adarsh Rice Mill based on best available information as the client has not provided any paper/information. Therefore we have placed the Mandate under the issuer did not cooperate Category.

BWR had the initial rating in May,2019 as BWR BB-(Stable)/A4 for Bank Loan facility of Rs. 10.22crs. The rating was due for surveillance in May,2020. The firm was followed up for surveillance consistently to provide required information over emails and telephonically dated 29th April,5th ,11th,12th May, 26th June, 27th July, 7th August , 17th August,1st September, 3rd September 2020 .Further, BWR also took follow up with the banker via call and emails for conduct of account dated 29th April,5th ,11th,12th May, 26th June, 27th July, 7th August , 17th August,1st September, 3rd September 2020 for its rating, however BWR did not receive a response from Banker for banker feedback.The company Adarsh Rice Mill responded saying they



will get back to us but did not cooperate and did not provide the documents and details for surveillance of rating of the bank loan facilities of Rs.10.22 crs. A final notice has been served as on 1st, 3rd September 2020. In the absence of adequate information from the Company, Brickwork Ratings is unable to assess the Company's financial performance and its ability to service its debt and maintain a valid rating. Hence, on account of inadequate information and lack of management cooperation, BWR has downgraded the long term rating to BWR B+(Stable)/A4 under the Issuer Not Cooperating category.

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. Users of the credit rating should therefore take into account the possible deterioration in the credit quality of the rated entity arising from its non-transparency and withholdings of the information required for a review of the rating.

COMPANY PROFILE (Information received as on May,2019)

Adarsh Rice Mill is a Partnership firm established in 1993. The entity has rice milling or processing unit with an installed capacity of 8 tons per hour based at Raipur, Chattisgarh.

KEY FINANCIAL INDICATORS (in ₹ Cr) (Information received as on May,2019)

Key Parameters	Units	FY 18	FY 17
Result Type		Audited	Audited
Operating Revenue	₹ Crs	42.59	40.25
EBITDA	₹ Crs	2.25	1.88
PAT	₹ Crs	0.10	0.06
Tangible Networth	₹ Crs	5.34	5.21
Total Debt / Tangible Networth	Times	1.96	1.39
Current Ratio	Times	1.29	1.39

NON-COOPERATION WITH OTHER RATING AGENCY :- CRISIL B+ / A4 Issuer Not Co-operating dated 21st January 2020. ICRA B+/A4 Issuer Not Co-Operating dated 18th March 2020.

RATING HISTORY FOR THE PREVIOUS THREE YEARS [including withdrawal and suspended]

Facilities	Current Rating		Rating History									
	Tenure	Amount (₹ Cr)	Rating	2019			2018			2017		
Fund Based	Long Term	9.22	BWR B+ Stable Downgraded Issuer Not Cooperating	Long Term	9.22	BWR BB- Stable	-	-	-	-	-	-
Non Fund Based	Short Term	1.00	BWR A4 Reaffirmed Issuer Not Cooperating	Short term	1.00	BWR A4						
Total		10.22	INR Ten Crores Twenty Two Lakhs Only									

* Issuer did not cooperate. Based on best available information

COMPLEXITY LEVELS OF THE INSTRUMENTS

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

- **General Criteria**
- **Approach to Financial Ratio**
- **What constitutes Non cooperation**

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ANNEXURE I

Adarsh Rice Mill

Details of Bank Facilities rated by BWR

Sl.No.	Name of the Bank	Facilities	Type	Tenure	Total [₹ Cr]
1.	Union Bank Of India, Ramsagarpara, Raipur	Cash Credit Term Loan	Fund Based	Long Term	8.00 1.22
2		Letter of Credit	Non Fund Based	Short term	1.00
INR Ten Crores Twenty Two Lakhs Only					10.22

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NGOs, Educational Institutions, Hospitals, Real Estate Developers, Urban Local Bodies and Municipal Corporations. BWR has Canara Bank, a leading public sector bank, as one of the promoters and strategic partners. 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.

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