



## Rating Rationale

### Ashta Lakshmi Rice Industry

16Nov2018

Brickwork Ratings has reviewed the Rating for the Bank Loan facilities of ₹ 9.00 Crore of Ashta Lakshmi Rice Industry based on best available information, as the issuer did not cooperate. Accordingly the rating for the said instrument is as under

#### Particulars

Facility	Amount (₹ Cr)		Tenure	Rating*	
	Previous	Present		Previous (Aug, 2017)	Present
Fund based Cash Credit	6.00	6.00	Long Term	BWR B (pronounced as BWR single B ) Outlook: Stable	Issuer did not Co-operate; BWR B- (pronounced as BWR single B minus ) (Outlook: Stable (Downgraded)
Non Fund Based Bank Guarantee	3.00	3.00	Short Term	BWR A4 pronounced as BWR A four	Issuer did not Co-operate; BWR A4 pronounced as BWR A four (Reaffirmed)
<b>Total</b>	<b>9.00</b>	<b>9.00</b>	<b>₹ Nine Crores Only</b>		

\*Please refer to BWR website [www.brickworkratings.com/](http://www.brickworkratings.com/) for definition of the ratings  
Issuer did not co-operate; based on best available information

#### Ratings: Long term rating downgraded and Short term rating reaffirmed

#### Nature of Non-cooperation:

The rating was due for a review in November 2018 BWR took up with the issuer to provide required information over emails dated 19.10.2018, 7.11.2018, 10.11.2018 & 14.11.2018 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/Firm, BWR is unable to assess the issuer's/Firm'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.

**About the Firm (Information as available in August, 2017)**

M/s Ashta Lakshmi Rice Industry was established in the year 2010 as a partnership firm located at Mandapeta, Andhra Pradesh .The firm is promoted By Mr. G Krishna Murthy and other 19 members of the family are other partners. Firm is engaged in the business of processing and trading of rice and other by products in the domestic market. The firm has its manufacturing unit located at Mandapeta, Andhra Pradesh with a Processing capacity of 4 Metric tons per hour.' The firm markets its products under the brand name of 'ALR'.

**Rating History for the last three years (including withdrawn/suspended ratings)**

S.No	Facility	Current Rating (2018)			Rating History		
		Type	Amount (₹ Cr)	Rating^	2.8.2017	12.8.2016	20.8.2015
	<b>Fund Based</b>	Long Term	6.00	Issuer did not Co-operate; BWR B- <b>(pronounced as BWR single B minus )</b> (Outlook: Stable (Downgraded)	<b>BWR B</b> <b>(pronounced as BWR single B )</b>	<b>BWR B</b> <b>(pronounced as BWR single B )</b>	<b>BWR B+</b> <b>(pronounced as BWR single B Plus)</b>
	<b>Non Fund Based</b>	Short Term	3.00	Issuer did not Co-operate; <b>pronounced as BWR A four</b> (Reaffirmed)	<b>BWR A4</b> <b>pronounced as BWR A four</b>	<b>BWR A4</b> <b>pronounced as BWR A four</b>	<b>Not rated</b>
	<b>Total</b>		<b>9.00</b>	<b>₹ Nine Crores Only</b>			

^Issuer did not co-operate; based on best available information

**Status of non-cooperation with previous CRA- : Nil ; Any other information: Nil**

**Hyperlink/Reference to applicable Criteria**

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

For any other criteria obtain [hyperlinks](#) from website

**Ashta Lakshmi Rice Industry**  
**Annexure I**

Particulars	Units	2016	2015
Net Sales/Revenues	₹ Cr	10.61	18.01
EBIDTA	₹ Cr	0.82	1.57
PAT	₹ Cr	0.03	0.06
Tangible Net worth	₹ Cr	2.53	2.73
Total Debt : TNW	Times	0.52	1.97
Current Ratio	Times	13.86	30.59

*Note: As per information available with BWR*

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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](http://www.brickworkratings.com/download/ComplexityLevels.pdf) Investors queries can be sent to [info@brickworkratings.com](mailto:info@brickworkratings.com).

### **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. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 13,22,500 Cr. In addition, BWR has rated over 7000 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹62,000 Cr have been rated.

BWR has rated over 30 PSUs/Public Sector banks, as well as many major private players. BWR has a major presence in ULB rating of nearly 102 cities

### **DISCLAIMER**

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