

## RATING RATIONALE

21 Oct 2019

### Bholanath Rice Mill

**Brickwork Ratings Revises the ratings for the Bank Loan Facilities Rs. 6.75 Crs. of Bholanath Rice Mill based on best available information, as the issuer did not cooperate.**

#### Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#		
	Previous	Present		Previous (Aug 2018)	August 2019	Present
Fund based	6.43	6.43	Long Term	BWR B+ (Pronounced as BWR Single B Plus) (Stable)	Rating Not Reviewed	BWR B* (Pronounced as BWR Single B) (Stable) Downgraded Issuer Not Cooperating
Non Fund Based	0.32	0.32	Short Term	BWR A4 (Pronounced as BWR A Four)		BWR A4* (Pronounced as BWR A Four) Reaffirmed Issuer Not Cooperating
<b>Total</b>	<b>6.75</b>	<b>6.75</b>	<b>INR Six Crore and Seventy Five 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.

\*\*Details of Bank facilities is provided in Annexure-1

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

In view of the non-availability of the information and lack of cooperation from the issuer, Brickwork Ratings has downgraded the long-term rating to BWR B (Outlook: Stable) “Issuer not Cooperating” and reaffirmed the short term rating of BWR A4 “Issuer not Cooperating”, for the bank loan facilities amounting to Rs.6.75 Crores of **Bholanath Rice Mill**.

The lenders/investors may note to exercise due caution while using the above ratings which mentions "Issuer Not Cooperating" since the ratings lacks any projections or forward looking



component as it is arrived based on the best available information without any management/banker's interaction.

The rating was due for a review in August 2019. 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 company'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, non-cooperation 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**

<b>Key Financial Indicators</b>	<b>Units</b>	<b>FY 17</b>	<b>FY 16</b>
<b>Result Type</b>		<b>Audited</b>	<b>Audited</b>
Net Sales/Revenue	₹ Cr	20.73	13.41
EBITDA	₹ Cr	1.47	1.50
PAT	₹ Cr	0.12	0.06
Tangible Net Worth	₹ Cr	3.42	3.00
Total Debt/TNW	Times	1.50	1.87
Current Ratio	Times	1.58	1.37

### **COMPANY PROFILE ( Information as available in 2018)**

Bholanath Rice Mill is a West Bengal based partnership firm, established in the year 2012, having its office and plant at Bardhaman (West Bengal). The rice mill is situated on a land of around 2.27 acres. The partners of the firm are Ramkrishna Dan, Asit Dan, Achintya Pal and Haradhan De.

### **NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY (IF ANY):NA**

## RATING HISTORY FOR THE PREVIOUS THREE YEARS

Facilities	Current Rating			Rating History	
	Tenure	Amount (₹ Cr)	Rating	August 2019	August 2018
<b>Fund Based</b>	<b>Long Term</b>	<b>6.43</b>	<b>BWR B*</b> (Pronounced as BWR Single B) (Stable) Downgraded Issuer Not Cooperating*	<b>Rating Not Reviewed</b>	<b>BWR B+</b> (Pronounced as BWR Single B Plus) (Stable)
<b>Non Fund Based</b>	<b>Short Term</b>	<b>0.32</b>	<b>BWR A4*</b> (Pronounced as BWR A Four) Reaffirmed Issuer Not Cooperating*		<b>BWR A4</b> (Pronounced as BWR A Four)
<b>Total</b>		<b>6.75</b>	<b>INR Six Crore and Seventy Five Lakhs Only</b>		

## 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](#)
- [Short Term Debt](#)

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## ANNEXURE I

### Bholanath Rice Mill

#### Details of Bank Loan Facilities rated by BWR

Sl. No.	Name of the Bank	Type of Facilities	Long Term [Rs. Crs]	Short Term [Rs. Crs]	Total [Rs. Crs,]
1.	Oriental Bank of Commerce	Term Loan	2.43	-	2.43
		Cash Credit	4.00	-	4.00
		Bank Guarantee	-	0.32	0.32
<b>TOTAL</b>					<b>6.75</b>

#### **Rupees Six Crore and Seventy Five Lakhs Only**

#### **For print and digital media**

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**DISCLAIMER:** Brickwork Ratings Private Limited (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