

RATING RATIONALE

6 May 2020

A. M. Rice Mills

Brickwork Ratings reaffirms the ratings for the Bank Loan Facilities of ₹16.00 Crores of A. M. Rice Mills based on best available information, as the issuer did not cooperate.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (January, 2019)	Present
Fund Based	12.00	12.00	Long Term	BWR BB- (Stable)	BWR BB- (Stable) Issuer Not Cooperating* (Reaffirmed)
Non Fund Based	4.00	4.00	Short Term	BWR A4	BWR A4 Issuer Not Cooperating* (Reaffirmed)
Total	16.00	16.00	INR Sixteen Crores Only		

Please refer to BWR website 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-I

RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

The rating of the Bank Loan Facilities of the firm has been reaffirmed to BWR BB-/A4 (Stable) under the 'Issuer Not Cooperating' category.

BWR assigned the initial rating of BWR BB-/A4 (Stable) on 11th January, 2019. The rating was due for review in January, 2020. BWR took up with the issuer consistently to provide required information over emails apart from telephonic communications. BWR was unable to reach its bankers, the banker's feedback regarding the conduct of account is not available. 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 firm, BWR is unable to assess the entity's financial performance and its ability to service its debt.

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	2018	2017
Result Type		Audited	Audited
Operating Revenue	₹ Cr	41.99	44.08
EBITDA	₹ Cr	2.03	1.99
PAT	₹ Cr	0.07	0.07
Tangible Net Worth	₹ Cr	5.55	5.43
Total Debt/Tangible Net Worth	Times	2.85	2.41
Current Ratio	Times	1.16	1.21

FIRM PROFILE [As available with BWR]

Established in 1986, A. M. Rice Mills (AMRM) is a partnership firm engaged in rice milling. It is located in Karnal, Haryana. It is promoted by Mr. Anil Gupta & Mr. Abhishek Gupta having an experience of about 40 years and 7 years respectively in this industry. Around 70% of the output is sold to various rice exporters around Delhi, Punjab & Haryana. Rest 30% is sold in the domestic market and is directly exported. Around 70% of the output is non-basmati rice. It sells under the brand 'Today' & 'Ampure'. It has an installed capacity of 4 tonnes (40 quintals) per hour and 90% of the installed capacity gets utilized.

NON-COOPERATION WITH PREVIOUS RATING AGENCY: CARE B/A4 (Stable) Issuer Not Cooperating migrated on 22nd July 2019.

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

Facilities	Current Rating			Rating History		
	Tenure	Amount (₹ Cr)	Rating	11th January 2019	2018	2017
Fund Based	Long Term	12.00	BWR BB- (Stable) Issuer Not Cooperating* (Reaffirmed)	BWR BB- (Stable)	NA	NA
Non Fund Based	Short Term	4.00	BWR A4 Issuer Not Cooperating* (Reaffirmed)	BWR A4	NA	NA
Total		16.00	INR Sixteen Crores Only			

COMPLEXITY LEVELS OF THE INSTRUMENTS

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

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [What constitutes Client Non Co-operation](#)

Analytical Contacts	Investor and Media Relations
<p>Aditi Bhatt Rating Analyst Board: 022-67456666 Ext: 657 Email Address: aditi.b@brickworkratings.com</p> <p>V. K. Kukreja Associate Director – Ratings Board: +91 11 23412232 Email Address: kukreja.vk@brickworkratings.com</p>	<p>Liena Thakur Assistant Vice President - Corporate Communications +91 84339 94686 liena.t@brickworkratings.com</p>

ANNEXURE I

A. M. Rice Mills

Details of Bank Facilities rated by BWR

Sl.No.	Name of the Bank	Type of Facilities	Long Term [₹ Cr]	Short Term [₹ Cr]	Total [₹ Cr]
1	Oriental Bank of Commerce	Cash Credit	12.00	-	12.00
2		Packing Credit	-	4.00	4.00
3		Sublimit: FDBP/FUDBP/FCBRD	-	(4.00)	(4.00)
TOTAL					16.00

Total Rupees Sixteen Crores Only.

For print and digital media The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

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 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