

M L Rice Mills

February 04, 2022

Ratings

| Facilities / Instruments | Amount (Rs. crore) | Rating ¹ | Rating Action |
|---------------------------|---|---|--|
| Long Term Bank Facilities | 24.50 | CARE B-; Stable; ISSUER NOT COOPERATING* (Single B Minus; Outlook: Stable ISSUER NOT COOPERATING*) | Rating continues to remain under ISSUER NOT COOPERATING category |
| Total Facilities | 24.50 (Rs. Twenty-Four Crore and Fifty Lakhs Only) | | |

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated January 25, 2021, placed the rating(s) of M L Rice Mills (MLRM) under the 'issuer non-cooperating' category as MLRM had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. MLRM continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated December 11, 2021, January 11, 2022 and January 17, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

Detailed description of the key rating drivers

Please refer to PR dated [January 25, 2021](#)

Analytical approach: Standalone

Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

About the Company

M L Rice Mills (MLR) was established in October 1983 as a partnership firm by Mr Janak Raj and his brothers. The firm is currently being managed by Mr Janak Raj and his wife, Mrs Sudesh Rani and their sons, Mr Ashok Kumar and Mr Ashu Girdhar, sharing profit and losses in the ratio 2:2:3:3. The firm is engaged in the processing of paddy at its manufacturing facility located in Fazilka, Punjab, with an installed capacity of processing 36,000 tonnes of paddy per annum as on June 30, 2018.

| Brief Financials (Rs. crore) | FY20(A) | FY21(A) | 9MFY22(Prov.) |
|------------------------------|---------|---------|---------------|
| Total operating income | NA | NA | NA |
| PBILDT | NA | NA | NA |
| PAT | NA | NA | NA |
| Overall gearing (times) | NA | NA | NA |
| Interest coverage (times) | NA | NA | NA |

A - Audited, Prov. Provisional, NA – Not Available

Status of non-cooperation with previous CRA: ICRA has conducted the review on the basis of best available information and classified M L Rice Mills as "Not Co-operating" vide its press release dated August 25, 2021

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument/facility: Please refer Annexure 3

Complexity level of various instruments rated for this Company: Please refer Annexure 4

¹Complete definitions of the ratings assigned are available at www.careedge.in and in other CARE's publications

*Issuer did not cooperate; Based on best available information

Annexure-1: Details of Instruments/ Facilities

| Name of the Instrument | ISIN | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. crore) | Rating assigned along with Rating Outlook |
|-----------------------------|------|------------------|-------------|---------------|-------------------------------|---|
| Fund-based - LT-Cash Credit | | - | - | - | 24.00 | CARE B-; Stable; ISSUER NOT COOPERATING* |
| Fund-based - LT-Term Loan | | - | - | March 2020 | 0.50 | CARE B-; Stable; ISSUER NOT COOPERATING* |

*Issuer did not cooperate; based on best available information

Annexure-2: Rating History of last three years

| Sr. No. | Name of the Instrument/Bank Facilities | Current Ratings | | | Rating history | | | |
|---------|--|-----------------|--------------------------------|--|---|--|---|---|
| | | Type | Amount Outstanding (Rs. crore) | Rating | Date(s) & Rating(s) assigned in 2021-2022 | Date(s) & Rating(s) assigned in 2020-2021 | Date(s) & Rating(s) assigned in 2019-2020 | Date(s) & Rating(s) assigned in 2018-2019 |
| 1 | Fund-based - LT-Cash Credit | LT | 24.00 | CARE B-; Stable; ISSUER NOT COOPERATING* | - | 1)CARE B-; Stable; ISSUER NOT COOPERATING* (25-Jan-21) | 1)CARE B; Stable; ISSUER NOT COOPERATING* (06-Nov-19) | 1)CARE B; Stable; ISSUER NOT COOPERATING* (27-Aug-18) |
| 2 | Fund-based - LT-Term Loan | LT | 0.50 | CARE B-; Stable; ISSUER NOT COOPERATING* | - | 1)CARE B-; Stable; ISSUER NOT COOPERATING* (25-Jan-21) | 1)CARE B; Stable; ISSUER NOT COOPERATING* (06-Nov-19) | 1)CARE B; Stable; ISSUER NOT COOPERATING* (27-Aug-18) |

*Issuer did not cooperate; based on best available information

Annexure-3: Detailed explanation of covenants of the rated instrument / facilities - Not Applicable**Annexure 4: Complexity level of various instruments rated for this Company**

| Sr. No | Name of instrument | Complexity level |
|--------|-----------------------------|------------------|
| 1 | Fund-based - LT-Cash Credit | Simple |
| 2 | Fund-based - LT-Term Loan | Simple |

Annexure 5: Bank Lender Details for this Company

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About CARE Ratings Limited:

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