

Sri Palani Murugan Modern Rice Mill

July 02, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	8.73	CARE B-; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

*Issuer did not cooperate; based on best available information.

Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated May 30, 2023, placed the rating(s) of Sri Palani Murugan Modern Rice Mill (SPMMRM) under the 'issuer non-cooperating' category as SPMMRM 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. SPMMRM continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated April 14, 2024, April 24, 2024, May 04, 2024.

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).

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers:

Please refer to PR dated [May 30, 2023](#)

Applicable criteria

[CARE Rating's criteria on information adequacy risk and issuer non-cooperation](#)

[Policy on Default Recognition](#)

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

About the Firm

Sri Palani Murugan Modern Rice Mill was initially established as proprietorship concern by Mr. A. Ponnambalam in the name of Sri Palani Murugan Stores, which was later on reconstituted as a partnership firm with Mr. A. Ponnambalam's family members in the year 2009, with the name and style Sri Palani Murugan Modern Rice Mill (SPMMRM). Mrs. C. Vennila and Mr. P. Raja are the partners of the firm apart from Mr. A. Ponnambalam. The firm engaged in purchasing and processing of paddy to produce rice types such as Biriyan Rice, Ponni Rice, Red Rice and doubled boiled rice. The firm selling the products in their own brand names viz Sornam, rajarani, Sakthi gold ranging from 5kg to 50 kg.

Brief Financials (Rs. crore)	March 31, 2018 (A)	March 31, 2019 (A)
Total operating income	36.45	39.01
PBILDT	0.86	1.27
PAT	0.11	0.12
Overall gearing (times)	3.74	4.20
Interest coverage (times)	1.45	1.83

A: Audited; Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: Brickworks has continued the ratings assigned to the bank facilities of SPMMRM to the 'issuer not-cooperating' category vide press release dated March 19, 2024 on account its inability to carryout review in the absence of requisite information from the firm.

Any other information: Not Applicable

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

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

Covenants of the rated instruments/facilities: Detailed explanation of the covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	7.00	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit		-	-	-	0.96	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	March 2024	0.77	CARE B-; Stable; ISSUER NOT COOPERATING*

*Issuer did not cooperate; based on best available information.

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Cash Credit	LT	7.00	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (30-May-23)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (18-May-22)	-
2	Fund-based - LT-Cash Credit	LT	0.96	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (30-May-23)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (18-May-22)	-
3	Fund-based - LT-Term Loan	LT	0.77	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (30-May-23)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (18-May-22)	-

*Issuer did not cooperate; based on best available information.

LT: Long term

Annexure-3: Detailed explanation of covenants of the rated instruments/facilities: Not Applicable

Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple

Annexure-5: Lender details

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

Note on the complexity levels of the rated instruments: CARE Ratings 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.

Contact us

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About us:

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Disclaimer:

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