

## Sri Meher Chaitanya Modern Rice Mill

July 02, 2024

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	6.03	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 Meher Chaitanya Modern Rice Mill (SMCMRM) under the 'issuer non-cooperating' category as SMCMRM 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. SMCMRM 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 Meher Chaitanya Modern Rice Mill (SMCMRM) was established in October, 2005 as a partnership firm by Mr. V Meher Chaitanya (Managing Partner), Mr. Gunnam Ravindra (Managing Partner), Mr. Gunnam Meher Charan (partner) and their family members as partners. SMCMRM is engaged in milling and processing of rice and sells its products under unregistered brand name of "Vanitha." The owned rice milling unit of the firm is located at Mandapeta village, East Godavari District, Andhra Pradesh. Apart from rice processing, the firm is also engaged in selling off by-products such as broken rice, husk and bran. The main raw material, paddy, is directly procured from local farmers located in and around East Godavari District, West Godavari District and Krishna District (80%) and the balance 20% is from Bihar, West Bengal. The firm sells rice and other by-products in the states of Kerala and Andhra Pradesh. The company also does job work for Andhra Pradesh Government, for which it receives paddy from the state government.

Brief Financials (Rs. crore)	March 31, 2017 (A)	March 31, 2018 (A)
Total operating income	13.09	17.26
PBILDT	0.57	0.87
PAT	0.04	0.05
Overall gearing (times)	0.64	0.89
Interest coverage (times)	1.42	1.25

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 SMCMRM to the 'issuer not-cooperating' category vide press release dated July 05, 2023 on account its inability to carryout review in the absence of requisite information from the firm.

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

**Any other information:** Not Applicable

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

**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		-	-	-	6.03	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	6.03	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (30-May-23)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (27-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

#### 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](mailto:care@careedge.in) for any clarifications.

### Contact us

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### About us:

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### Disclaimer:

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