

Sonthalia Rice Mill

December 17, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	8.94	CARE B-; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	4.00	CARE A4; 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 November 09, 2023, placed the rating(s) of Sonthalia Rice Mill (SRM) under the 'issuer non-cooperating' category as SRM had failed to provide information for monitoring of the rating as agreed to in its Rating Agreement. SRM continues to be non-cooperative despite repeated requests for submission of information through e-mails dated September 24, 2024, October 04, 2024, October 14, 2024 among others.

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 [November 09, 2023](#)

Applicable criteria

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

[Policy on Default Recognition](#)

[Criteria on Assigning 'Outlook' or 'Rating Watch' to Credit Ratings](#)

About the firm

Sonthalia Rice Mill was established in 1999 as a partnership firm with an objective to enter into the rice milling and processing business. The entity started its commercial operation from year 2008. The manufacturing unit of the entity is located at Paribasudeipur, P.O-Bhingarpur, Dist-Khurda Odisha. The current installed capacity of the unit is 50,000 metric tons per annum (MTPA) with 80% utilized capacity (e.g. 40,000 metric tons per annum). The entity primarily procures paddy from farmers & local agents located in the state of Odisha and other neighbouring states. Further the firm is also engaged in custom milling on behalf of Odisha government aggregating to around 45% of TOI in FY19 (provisional). Mr. Santosh Agarwal (partner) manages the day-to-day operations of the business along other partners namely Mr. Saurav Agarwal and Mr. Ashwin Agarwal. Further the entity is supported by a team of expert professionals who are having a long experience in the similar line of business.

Status of non-cooperation with previous CRA: India Ratings has continued the rating assigned to the bank facilities of SRM into ISSUER NOT COOPERATING category vide press release dated December 13, 2024 on account of its inability to carry out a review in the absence of requisite information from the firm.

CRISIL has continued the rating assigned to the bank facilities of SRM into ISSUER NOT COOPERATING category vide press release dated May 08, 2024 on account of its inability to carry out a review in the absence of requisite information from the firm.

Any other information: Not applicable

Rating history for last three years: Annexure-2

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

Covenants of rated instrument / facility: 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 and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	6.00	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	April 2021	2.94	CARE B-; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	4.00	CARE A4; ISSUER NOT COOPERATING*

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

Annexure-2: Rating history for 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	6.00	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (09-Nov-23)	1)CARE B; Stable; ISSUER NOT COOPERATING* (21-Oct-22)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (08-Oct-21)
2	Non-fund-based - ST-Bank Guarantee	ST	4.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (09-Nov-23)	1)CARE A4; ISSUER NOT COOPERATING* (21-Oct-22)	1)CARE A4; ISSUER NOT COOPERATING* (08-Oct-21)
3	Fund-based - LT-Term Loan	LT	2.94	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (09-Nov-23)	1)CARE B; Stable; ISSUER NOT COOPERATING* (21-Oct-22)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (08-Oct-21)

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

LT: Long term; ST: Short term

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

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - ST-Bank Guarantee	Simple

Annexure-5: Lender details

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

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

Contact us

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About us:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

Disclaimer:

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