August 28, 2020

Ganesh Grains Limited: Moved to Non-Cooperating category, Ratings downgraded based on best available information

Summary of rating action

Instrument^	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Fund Based - Cash Credit	30.00	30.00	[ICRA]BBB (Stable) ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]A (Stable) and moved to the 'Issuer Not Cooperating' category
Non Fund Based – Bank Guarantee	20.00	20.00	[ICRA]BBB (Stable)/ [ICRA]A3+ ISSUER NOT COOPERATING*; Ratings downgraded from [ICRA]A (Stable)/ [ICRA]A1 and moved to the 'Issuer Not Cooperating' category
Unallocated Limits	25.00	25.00	[ICRA]BBB (Stable)/ [ICRA]A3+ ISSUER NOT COOPERATING*; Ratings downgraded from [ICRA]A (Stable)/ [ICRA]A1 and moved to the 'Issuer Not Cooperating' category
Total	**75.00**	**75.00**	

**Issuer did not cooperate; based on best available information.*
^Instrument details are provided in Annexure-1

Rationale

The rating downgrade is because of lack of adequate information regarding Ganesh Grains Limited's performance and hence the uncertainty around its credit risk. ICRA assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its "Policy in respect of non-cooperation by a rated entity" available at www.icra.in. The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade.

As part of its process and in accordance with its rating agreement with Ganesh Grains Limited ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, a rating view has been taken on the entity based on the best available information.

The previous detailed rating rationale is available on the following link: Click here

About the company

Ganesh Grains Limited (GGL) was initially set up as a proprietorship firm by Lt. Brij Mohan Mimani in 1936 and was incorporated as a company in March 2000. The company manufactures *atta*, *besan*, *maida*, *sattu*, *sujee*, *dalia* etc. GGL markets its products under the brand name 'Ganesh', which has an established presence in West Bengal.

MOPE Investment Advisors Pvt. Ltd. (MOPE), the private equity arm of Motilal Oswal Financial Services Ltd., has acquired 25.71% equity shares in GGL in October 2016.

GGL has two wholly-owned subsidiaries, namely, Shree Venkatesh Agro Foods Private Limited (SVAFPL) and Gobardhan Agri Flour Mills Private Limited (GAFMPL), which are involved in the similar line of business. These two group entities are likely to be merged with GGL in the near term.

Status of non-cooperation with previous CRA

CRA	Status	Date of Release
CARE	Issuer not co-operating	July 1, 2020
ACUITE (SMERA)	Issuer not co-operating	December 12, 2019
CRISIL	Ratings suspended	December 9, 2015

Any other information: None

Rating history for last three years

	Instrument	Current Rating (FY2021)				Rating History for the Past 3 Years		
		Type	Amount Rated	Amount Outstanding March 31, 2020	Rating	FY2020	FY2019	FY2018
					28-August-2020	-	26-Feb-2019	-
1	Cash Credit	Long Term	30.00	-	[ICRA]BBB (Stable) ISSUER NOT COOPERATING*	-	[ICRA]A (Stable)	-
2	Bank Guarantee	Long Term/ Short Term	20.00	-	[ICRA]BBB (Stable)/ [ICRA]A3+ ISSUER NOT COOPERATING*	-	[ICRA]A (Stable)/ [ICRA]A1	-
3	Unallocated Limits	Long Term/ Short Term	25.00	-	[ICRA]BBB (Stable)/ [ICRA]A3+ ISSUER NOT COOPERATING*	-	[ICRA]A (Stable)/ [ICRA]A1	-

Source: Ganesh Grains Limited
Amount in Rs. crore
**Issuer did not cooperate; based on best available information.*

Complexity level of the rated instrument

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument Details

ISIN No.	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Cash Credit	NA	NA	NA	30.00	[ICRA]BBB (Stable) ISSUER NOT COOPERATING*
NA	Bank Guarantee	NA	NA	NA	20.00	[ICRA]BBB (Stable)/ [ICRA]A3+ ISSUER NOT COOPERATING*
NA	Unallocated Limits	NA	NA	NA	25.00	[ICRA]BBB (Stable)/ [ICRA]A3+ ISSUER NOT COOPERATING*

Source: Ganesh Grains Limited

Annexure-2: List of entities considered for consolidated analysis: Not applicable

ANALYST CONTACTS

Mr. K Ravichandran
+91 44 4596 4301
Ravichandran@icraindia.com

Mr. Sujoy Saha
+91 33 7150 1184
Sujoy.saha@icraindia.com

Mr. Sandipan Kumar Das
+91 33 7150 1190
Sandipan.das@icraindia.com

Mr. Akash Gupta
+91 33 7150 1127
akash.gupta@icraindia.com

RELATIONSHIP CONTACT

Mr. Jayanta Chatterjee
+91 80 4332 6401
jayantac@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries:

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited

Corporate Office
Building No. 8, 2nd Floor, Tower A; DLF Cyber City, Phase II; Gurgaon 122 002
Tel: +91 124 4545300
Email: info@icraindia.com
Website: www.icra.in

Registered Office
1105, Kailash Building, 11th Floor; 26 Kasturba Gandhi Marg; New Delhi 110001
Tel: +91 11 23357940-50

Branches

Mumbai	+ (91 22) 24331046/53/62/74/86/87
Chennai	+ (91 44) 2434 0043/9659/8080, 2433 0724/ 3293/3294,
Kolkata	+ (91 33) 2287 8839 /2287 6617/ 2283 1411/ 2280 0008,
Bangalore	+ (91 80) 2559 7401/4049
Ahmedabad	+ (91 79) 2658 4924/5049/2008
Hyderabad	+ (91 40) 2373 5061/7251
Pune	+ (91 20) 2556 0194/ 6606 9999