

October 25, 2024

Sri Sai Agro Industries: Continues to remain under issuer Non-Cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term- Fund Based-Cash Credit	4.00	4.00	[ICRA]B(Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term- Fund Based-Term Loan	2.50	2.50	[ICRA]B(Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	6.50	6.50	

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

[^]Instrument details are provided in Annexure-I

Rationale

ICRA has kept the Long-Term rating of Sri Sai Agro Industries in the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]B(Stable); ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with Sri Sai Agro Industries, ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple 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, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities, Key financial indicators : [Click here](#). ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology Rating Methodology – Rice Mills
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

Sri Sai Agro Industries ("SSAI" / "The firm"), incorporated in 2014, is promoted by Mr. Balarammurthy, Mr. Prasad and Mr. Venkateshwar Rao. The firm is engaged in milling, processing and selling of boiled rice, raw rice, bran and husk. The firm started its operations in April, 2015 after the promoters had wound up the operations of another entity, Sri Guru Sai Rice Industries, engaged in the same line of business. The firm procures majority of its raw material requirements from farmers located in Raichur and its neighbouring districts in Karnataka and sells them in the domestic market (mainly Maharashtra) to rice traders mainly under the brand name "RB Gold". The firm's manufacturing facilities are located in Sindhanur in Karnataka spread over 6 acres of land with an aggregate installed capacity of 6 tons per hour of milling.

Status of non-cooperation with previous CRA: NA

Any other information: None

Rating history for past three years

Instrument			Current Rating (FY2025)	Chronology of Rating History for the past 3 years					
	Type	Amount Rated (Rs. Crore)	Date & Rating in	FY2024		FY2023		FY2022	
			25-Oct-2024	Date	Rating	Date	Rating	Date	Rating
1 Fund Based-Cash Credit	Long Term	4.00	[ICRA]B(Stable); ISSUER NOT COOPERATING	31-Aug-23	[ICRA]B(Stable); ISSUER NOT COOPERATING	24-Jun-22	[ICRA]B(Stable); ISSUER NOT COOPERATING	26-Apr-21	[ICRA]B(Stable); ISSUER NOT COOPERATING
2 Fund Based-Term Loan	Long Term	2.50	[ICRA]B(Stable); ISSUER NOT COOPERATING	31-Aug-23	[ICRA]B(Stable); ISSUER NOT COOPERATING	24-Jun-22	[ICRA]B(Stable); ISSUER NOT COOPERATING	26-Apr-21	[ICRA]B(Stable); ISSUER NOT COOPERATING

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Term Loan	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](#)

Annexure-I: 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	-	-	-	4.00	[ICRA]B(Stable); ISSUER NOT COOPERATING
NA	Term Loan	-	-	-	2.50	[ICRA]B(Stable); ISSUER NOT COOPERATING

Source: Sri Sai Agro Industries

Annexure-II: List of entities considered for consolidated analysis: Not Applicable

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