



Press Release
Subra Enterprises
December 24, 2024
Rating Reaffirmed and Issuer not co-operating

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|---|---------------------|--|--|
| Bank Loan Ratings | 9.75 | ACUITE D Reaffirmed Issuer not co-operating* | - |
| Bank Loan Ratings | 6.25 | - | ACUITE D Reaffirmed Issuer not co-operating* |
| Total Outstanding Quantum (Rs. Cr) | 16.00 | - | - |
| Total Withdrawn Quantum (Rs. Cr) | 0.00 | - | - |

* The issuer did not co-operate; based on best available information.

Rating Rationale

Acuite has reaffirmed the long-term rating of ‘**ACUITE D**’ (read as **ACUITE D**) and the short-term rating of ‘**ACUITE D**’ (read as **ACUITE D**) on the Rs 16.00 crore bank facilities of Subra Enterprises (SE). The rating continues to be flagged as “Issuer Not Cooperating” and is based on the best available information.

About the Company

Subra Enterprises (SE), established in 2012, is promoted by Mr. Mr. A. S. Sharath Chandran and his son, Mr. S. Shiyaam. The firm is engaged in importing and trading of agricultural commodities such as pulses, rice and maize. The firm imports 30-40 percent of pulses from Singapore, Myanmar, Tanzania, Australia, Canada, Turkey and Syria with the balance procured from farmers in Karnataka, Andhra Pradesh, Uttar Pradesh, Maharashtra and Tamil Nadu. The same is procured on cash basis. The firm is planning to export cementation products such as Granulated Blast Slag, Ground Granulated Blast Slag, Fly Ash and Felspathatic non-metallic minerals like feldspar, quartz, Silica sand.

Unsupported Rating

Not Applicable

Non-cooperation by the issuer/borrower:

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date. Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating is, therefore, being flagged as “Issuer not-cooperating”, in line with prevailing SEBI regulations and Acuite’s policies.

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité endeavored to gather information about the entity/industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

Outlook

Not Applicable

Other Factors affecting Rating

None

Key Financials

| Particulars | Unit | FY 17 (Provisional) | FY 16 (Actual) |
|-------------------------------|---------|---------------------|----------------|
| Operating Income | Rs. Cr. | 26.26 | 40.03 |
| PAT | Rs. Cr. | 0.14 | 0.15 |
| PAT Margin | (%) | 0.52 | 0.38 |
| Total Debt/Tangible Net Worth | Times | 0.97 | 1.49 |
| PBDIT/Interest | Times | 1.12 | 1.13 |

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

| Date | Name of Instruments/Facilities | Term | Amount (Rs. Cr) | Rating/Outlook |
|-------------|--------------------------------|------------|-----------------|--|
| 27 Sep 2023 | Proposed Packing Credit | Short Term | 6.25 | ACUITE D (Reaffirmed & Issuer not co-operating*) |
| | Cash Credit | Long Term | 9.75 | ACUITE D (Reaffirmed & Issuer not co-operating*) |
| 29 Jun 2022 | Proposed Packing Credit | Short Term | 6.25 | ACUITE D (Reaffirmed & Issuer not co-operating*) |
| | Cash Credit | Long Term | 9.75 | ACUITE D (Reaffirmed & Issuer not co-operating*) |
| 31 Mar 2021 | Cash Credit | Long Term | 9.75 | ACUITE D (Reaffirmed & Issuer not co-operating*) |
| | Proposed Packing Credit | Short Term | 6.25 | ACUITE D (Reaffirmed & Issuer not co-operating*) |

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Annexure - Details of instruments rated

| Lender's Name | ISIN | Facilities | Date Of Issuance | Coupon Rate | Maturity Date | Quantum (Rs. Cr.) | Complexity Level | Rating |
|----------------------|----------------------|-------------------------|----------------------|----------------------|----------------------|-------------------|------------------|---|
| Punjab National Bank | Not avl. / Not appl. | Cash Credit | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 9.75 | Simple | ACUITE D Reaffirmed Issuer not co-operating* |
| Not Applicable | Not avl. / Not appl. | Proposed Packing Credit | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 6.25 | Simple | ACUITE D Reaffirmed Issuer not co-operating* |

* The issuer did not co-operate; based on best available information.

Contacts

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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Note: None of the Directors on the Board of Acuité Ratings & Research Limited are members of any rating committee and therefore do not participate in discussions regarding the rating of any entity.