

Press Release

Abhay Solvents Private Limited

July 11, 2019

Rating Withdrawn



Total Bank Facilities Rated*	Rs. 24.00 Cr.
Long Term Rating	ACUITE BB+ (Withdrawn)

* Refer Annexure for details

Rating Rationale

Acuite has withdrawn long-term rating of '**ACUITE BB+**' (read as **ACUITE double B plus**) on the Rs. 24.00 crore bank facilities of Abhay Solvent Private Limited (ASPL). The rating withdrawal is in accordance with the Acuite's 'policy on withdrawal of rating'.

The rating is being withdrawn on account of request received from the company and NOC received from the banker.

Incorporated in 1993, ASPL is a Karnataka-based company promoted Mr. Abhay Kumar Mehta and Mr. Praveen Kumar Mehta among others. The company is engaged in the extraction (300 tons per day) and refining (80 tons per day) of rice bran oil.

Analytical Approach

Acuite has considered the standalone business and financial risk profile of ASPL.

About the Rated Entity - Key Financials

	Unit	FY18 (Actual)	FY17 (Actual)	FY16 (Actual)
Operating Income	Rs. Cr.	158.56	180.50	136.16
EBITDA	Rs. Cr.	3.70	3.95	4.49
PAT	Rs. Cr.	1.12	0.55	1.08
EBITDA Margin	(%)	2.34	2.19	3.30
PAT Margin	(%)	0.70	0.30	0.79
ROCE	(%)	6.02	7.09	8.44
Total Debt/Tangible Net Worth	Times	0.67	1.03	1.40
PBDIT/Interest	Times	2.06	2.33	1.99
Total Debt/PBDIT	Times	4.46	5.13	5.83
Gross Current Assets (Days)	Days	83	77	98

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Manufacturing Entities- <https://www.acuite.in/view-rating-criteria-4.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>

Note on complexity levels of the rated instrument

<https://www.acuite.in/criteria-complexity-levels.htm>

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
May 08 ,2019	Term Loan	Long Term	2.00	ACUITE BB+/Sable (Upgraded)
	Proposed Bank Facility	Long Term	2.00	ACUITE BB+/Sable (Upgraded)
	Cash Credit	Long Term	20.00	ACUITE BB+/Sable (Upgraded)
Jan 11, 2019	Term Loan	Long Term	4.00	ACUITE BB Issuer not cooperating*
	Cash Credit	Long Term	20.00	ACUITE BB Issuer not cooperating*
Nov 20, 2017	Term Loan	Long Term	4.00	ACUITE BB / Stable (Reaffirmed)
	Cash Credit	Long Term	20.00	ACUITE BB / Stable (Reaffirmed)
Aug 19, 2016	Term Loan	Long Term	4.00	ACUITE BB / Stable (Assigned)
	Cash Credit	Long Term	20.00	ACUITE BB / Stable (Assigned)

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Term Loan	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE BB+ (Withdrawn)
Cash Credit	Not Applicable	Not Applicable	Not Applicable	20.00	ACUITE BB+ (Withdrawn)
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE BB+ (Withdrawn)

Contacts

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (Erstwhile SMERA Ratings Limited) is a full-service Credit Rating Agency registered with the Securities and 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. Since then, it has assigned more than 6,000 credit 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 Mumbai.

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