

Press Release

Sanskar Agro Processors Private Limited

December 31, 2019

Rating Update



Total Bank Facilities Rated*	Rs. 52.00 Cr.#
Long Term Rating	ACUITE BB- (downgraded from ACUITE BB) Issuer not co-operating*
Short Term Rating	ACUITE A4 (downgraded from ACUITE A4+) Issuer not co-operating*

#Refer Annexure for details

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

Acuité has downgraded the long-term rating to '**ACUITE BB-**' (read as **ACUITE double B minus**) from '**ACUITE BB**' (read as **double B**) and short term rating to '**ACUITE A4**' (read as **ACUITE A four**) from '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs. 52.00 crore bank facilities of Sanskar Agro Processors Private Limited (SAPL). This rating is now an indicative rating and is downgraded on account of information risk.

SAPL, incorporated in 2003, a Wardha (Maharashtra) based company is engaged in ginning, pressing, spinning of cotton yarn and oil milling. The company was promoted by Mr. Pawan Ramgopal Singhania, Mr. Kailash Ramgopal Singhania and Mrs. Sadhana Pawan Singhania. The ginning and spinning units are located at Waigaon (Wardha). The company gins and presses cotton into cotton bales, crushes seeds into seed oil and seed cakes, and makes cotton yarn, both combed and carded, for both knitting and weaving in single and double counts ranging from 20s to 60s.

Non-cooperation by the issuer/borrower:

Acuité 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 due date.

Acuité 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 Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-4.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-61.htm>

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 endeavoured 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.

About the Rated Entity – Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
24-Oct-2018	Cash Credit	Long term	23.50	ACUITE BB /Stable (Upgraded)
	Term Loan	Long term	19.30	ACUITE BB /Stable (Upgraded)
	Bank Guarantee	Short term	1.50	ACUITE A4+ (Upgraded)
	Proposed Bank Facility	Long term	7.7	ACUITE BB /Stable (Assigned)
18-Sep-2018	Cash Credit	Long term	23.50	ACUITE D (Downgraded)
	Term Loan	Long term	27.00	ACUITE D (Downgraded)
	Bank Guarantee	Short term	1.50	ACUITE D (Downgraded)
9-Feb-2018	Cash Credit	Long term	21.00	ACUITE BB /Stable (Upgraded)
	Term Loan	Long term	29.50	ACUITE BB /Stable (Upgraded)
	Bank Guarantee	Short term	1.50	ACUITE BB /Stable (Upgraded)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	23.50	ACUITE BB- (downgraded from ACUITE BB) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	19.30	ACUITE BB- (downgraded from ACUITE BB) Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	1.50	ACUITE A4 (downgraded from ACUITE A4+) Issuer not co-operating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	7.7	ACUITE BB- (downgraded from ACUITE BB) Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
<p>Aditya Gupta Head- Corporate and Infrastructure Sector Ratings Tel: 022-49294041 aditya.gupta@acuite.in</p> <p>Disha Parmar Analyst - Rating Operations Tel: 022-49294054 disha.parmar@acuite.in</p>	<p>Varsha Bist Manager - Rating Desk Tel: 022-49294011 rating.desk@acuite.in</p>

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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