

Press Release

S D Solvex Private Limited (SDSPL)

July 17, 2018



Rating Downgrade

Total Bank Facilities Rated	Rs. 14.00 Cr.#
Long Term Rating	ACUITE D Issuer not co-operating*

#Refer Annexure for details

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

Rating Rationale

Acuité has downgraded the long-term rating to '**ACUITE D**' (**read as ACUITE D**) on the Rs.14.00 crore bank facilities of S D Solvex Private Limited (SDSPL) based on interaction with the company's bankers. This rating is now an indicative rating and is based on best available information.

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.

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-17.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.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:

The Punjab-based, S D Solvex Private Limited (SDSPL) was incorporated in 2013 by Mr. Pardeep Kumar and Mr. Rakesh Kumar. The company is engaged in the extraction of crude, rice bran oil and deoiled cake and has installed capacity of ~300 tonnes per day. The company procures raw material i.e. Paddy and rice bran from local mandis and farmers and sells its product i.e. rice bran oil to refineries in Punjab and Haryana

In FY2015-16 the company achieved operating income of Rs.32.94 cr with Profit after Tax (PAT) of 0.05 cr as compared to operating income of Rs. 0.12 cr with negligible profit a year earlier. The networth stood at Rs.4.22 cr (includes quasi equity of Rs. 2.36 cr) in FY2015-16 as compared to Rs 3.28 cr (includes quasi equity of Rs. 1.47 cr) a year earlier.

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

None

Any other information

None

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
9-May-17	Cash Credit	Long term	6.00	ACUITE B+/ Stable (Assigned)
	Term Loan-1	Long term	7.25	ACUITE B+/ Stable (Assigned)
	Term Loan-2	Long term	0.75	ACUITE B+/ Stable (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	6.00	ACUITE D Issuer not co-operating*
Term Loan-1	Not Applicable	Not Applicable	Not Applicable	7.25	ACUITE D Issuer not co-operating*
Term Loan-2	Not Applicable	Not Applicable	Not Applicable	0.75	ACUITE D Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
Suman Chowdhury President - Rating Operations Tel: 022-67141107 suman.chowdhury@acuite.in	Varsha Bist Manager - Rating Desk Tel: 022-67141160 rating.desk@acuite.in
Manmיתה Sodhi Analyst - Rating Operations Tel: 022-67141133 manmיתה.sodhi@acuiteratings.in	

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.

Disclaimer: An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuité ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuité ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité.