

Press Release

Saaj Agro Foods Private Limited

March 14, 2023



Rating Downgraded & Withdrawn and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Ratings Loan	9.60	ACUITE D Downgraded & Withdrawn Issuer not co-operating*	-
Bank Ratings Loan	0.30	-	ACUITE D Downgraded & Withdrawn Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	9.90	-	-

Rating Rationale

Acuite has Downgraded and Withdrawn the long term rating to '**ACUITE D (read as ACUITE D)**' from '**ACUITE B' (read as ACUITE B)**' and the short term to '**ACUITE D (read as ACUITE D)**' from '**ACUITE A4' (read as ACUITE A four)**' on the Rs.9.90 crore bank facilities of Saaj Agro Foods Private Limited. The rating is being withdrawn on account of request received from the company and NOC received from the banker on Acuite's policy of withdrawal of ratings. The rating continues to be an indicative rating. The downgrade is on the basis that the company has ongoing delays in servicing of debt obligation and the account is classified as NPA as mentioned by the banker.

About the Company

Kolkata-based, **Saaj Agro Foods Private Limited (SAFPL)** was incorporated in 2014 and started its operations in 2018. The company is engaged in manufacturing of raw non-basmati parboiled rice. SAFPL is promoted by Mr. Sushil Kumar Agarwal and Ms. Akshita Saraf Agarwal. The manufacturing unit is in Burdwan in West Bengal. The installed capacity of the plant is 6 tonnes per hour and the average utilization is about 75 percent.

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 noncooperation 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 notcooperating", 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). Acuite 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.

About the Rated Entity - Key Financials

The entity has not shared the latest financial statement for Acuite to comment upon

Rating Sensitivity

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

Material Covenants

None

Liquidity Position

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

Outlook: Not Applicable

Other Factors affecting Rating

None

Status of non-cooperation with previous CRA

None

Any other information

Acuite is yet to receive No default statement (NDS) from the rated entity despite repeated requests and followups.

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, Acuité 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
09 May 2022	Bank Guarantee	Short Term	0.30	ACUITE A4 (Issuer not co-operating*)
	Cash Credit	Long Term	3.80	ACUITE B (Issuer not co-operating*)
	Term Loan	Long Term	5.80	ACUITE B (Issuer not co-operating*)
04 Feb 2021	Cash Credit	Long Term	3.80	ACUITE B (Issuer not co-operating*)
	Bank Guarantee	Short Term	0.30	ACUITE A4 (Issuer not co-operating*)
	Term Loan	Long Term	5.80	ACUITE B (Issuer not co-operating*)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Punjab National Bank	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	Simple	0.30	ACUITE D Downgraded & Withdrawn Issuer not co-operating*
Punjab National Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	3.80	ACUITE D Downgraded & Withdrawn Issuer not co-operating*
Punjab National Bank	Not Applicable	Term Loan	Not available	Not available	31 May 2023	Simple	5.80	ACUITE D Downgraded & Withdrawn Issuer not co-operating*

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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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