



Press Release
SUMRAN AGRO PRIVATE LIMITED
August 29, 2023

Rating Downgraded & Withdrawn, Withdrawn and Issuer not co-operating

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|---|---------------------|---|----------------------|
| Bank Loan Ratings | 22.00 | ACUITE BB- Downgraded & Withdrawn Issuer not co-operating* | - |
| Bank Loan Ratings | 3.00 | Not Applicable Withdrawn | - |
| Total Outstanding Quantum (Rs. Cr) | 0.00 | - | - |
| Total Withdrawn Quantum (Rs. Cr) | 25.00 | - | - |

Rating Rationale

Acuite has downgraded and withdrawn the long term rating from '**ACUITE BB**' (read as **ACUITE Double B**) to '**ACUITE BB-**' (read as **ACUITE Double B minus**) on the Rs. 22.00 crore bank facilities and also withdrawn the rating on the proposed facility of Rs 3.00 Cr of Sumran Agro Private Limited (SAPL). The team has received the withdrawal request from the client because the client does not want to continue the further rating. A No Objection Certificate (NOC) for the same has been received from HDFC Bank. The rating withdrawal is in accordance with Acuite's policy on withdrawal of rating. The rating is now flagged as "Issuer Not Cooperating", and downgraded on account of information risk.

About the Company

Incorporated in 2000, Sumran Agro Private Limited, is based in Kolkata. The company is engaged in the wholesale and retail trading of tea. The company is promoted by Mr. Pradeep Kumar Agarwal, Ms. Dipti Agarwal and Ms. Shalini Agarwal. SAPL is engaged in blending and adding flavour to the tea as per the requirements of the customers. The company procures tea through auction and private purchases and majorly exports to Iran and Russia.

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 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). Acuite endeavored to gather information about the entity/industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit ratings based.

Rating Sensitivities

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

All Covenants

None

Liquidity Position

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

Outlook

Not Applicable

Other Factors affecting Rating

Not Applicable

Key Financials

| Particulars | Unit | FY 22 (Actual) | FY 21 (Actual) |
|-------------------------------|---------|----------------|----------------|
| Operating Income | Rs. Cr. | 95.28 | 66.58 |
| PAT | Rs. Cr. | 1.01 | 0.68 |
| PAT Margin | (%) | 1.06 | 1.02 |
| Total Debt/Tangible Net Worth | Times | 0.33 | 0.37 |
| PBDIT/Interest | Times | 2.13 | 3.72 |

Status of non-cooperation with previous CRA

None

Any other information

Acuite is yet to receive the latest No Default Statement from the rated entity despite repeated requests and followups.

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Trading Entity: <https://www.acuite.in/view-rating-criteria-61.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 |
|-------------|--------------------------------|-----------|-----------------|--|
| 15 Jul 2022 | Proposed Bank Facility | Long Term | 3.00 | ACUITE BB Stable (Reaffirmed) |
| | Cash Credit | Long Term | 22.00 | ACUITE BB Stable (Reaffirmed) |
| 13 Nov 2020 | Proposed Bank Facility | Long Term | 10.24 | ACUITE BB Stable (Upgraded from ACUITE BB- Stable) |
| | Secured Overdraft | Long Term | 2.76 | ACUITE BB Stable (Upgraded from ACUITE BB- Stable) |
| | Cash Credit | Long Term | 12.00 | ACUITE BB Stable (Assigned) |

Annexure - Details of instruments rated

| Lender's Name | ISIN | Facilities | Date Of Issuance | Coupon Rate | Maturity Date | Complexity Level | Quantum (Rs. Cr.) | Rating |
|----------------|----------------|----------------------------------|------------------|----------------|----------------|------------------|-------------------|--|
| HDFC Bank Ltd | Not Applicable | Cash Credit | Not Applicable | Not Applicable | Not Applicable | Simple | 22.00 | ACUITE BB- Downgraded & Withdrawn Issuer not co-operating* |
| Not Applicable | Not Applicable | Proposed Long Term Bank Facility | Not Applicable | Not Applicable | Not Applicable | Simple | 3.00 | Not Applicable Withdrawn |

Contacts

| Analytical | Rating Desk |
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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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