

**Press Release**  
**Sai Smaran Foods Private Limited**  
**March 19, 2024**



**Rating Downgraded and Issuer not co-operating**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	64.75	ACUITE BB+   Downgraded   Issuer not co-operating*	-
Bank Loan Ratings	0.25	-	ACUITE A4+   Downgraded   Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	65.00	-	-

**Rating Rationale**

Acuite has downgraded its long-term rating to '**ACUITE BB+**' (read as **ACUITE Double B plus**) from '**ACUITE BBB-**' (read as **ACUITE Triple B minus**) and the short-term rating to '**ACUITE A4+**' (read as **Acuite A four Plus**) from '**ACUITE A3**' (read as **ACUITE A Three**) on Rs. 65.00 crore bank facilities of Sai Smaran Foods Private Limited (SSFPL). This rating is now an indicative rating and is based on best available information and is on account of information risk .

**Rationale for Downgrade**

The team had sent repeated reminders to the Company for latest information; however, despite multiple requests; the Company's management has not sent the required documents and are yet to submit the final latest documents for assigning the rating.

**About the Company**

Sai Smaran Foods Private Limited (SSFPL), incorporated in 1993 is a Nanded (Maharashtra) based company. The operations commenced in 1995. Directors of the Company are Mr Naresh Dulichand Goenka, Mr Rajiv Goenka and Miss Sheetal Goenka. It is primarily engaged in manufacturing of refined soya oil and soya de-oiled cakes (DOC). It is also engaged in trading of food grains. It has an installed capacity of 90,000 metric tonnes per annum (MTPA) of soya seed extraction, 15,000 MTA of extruded soya seed, 18,000 MTPA of soya refined oil and 73,000 MTPA of de-oiled cake extraction. It has recently installed extruded oil meal plant of 12,000 MTPA which is primarily used to produce export quality of oil meal.

**Unsupported Rating**

Not Applicable

**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 Acuité'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). 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.

### **Rating Sensitivities**

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

### **Liquidity Position**

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

### **Outlook**

Not Applicable

### **Other Factors affecting Rating**

None

## Key Financials

Particulars	Unit	FY 22 (Actual)	FY 21 (Actual)
Operating Income	Rs. Cr.	384.31	431.54
PAT	Rs. Cr.	11.19	7.53
PAT Margin	(%)	2.91	1.74
Total Debt/Tangible Net Worth	Times	1.01	0.54
PBDIT/Interest	Times	3.88	6.64

### Status of non-cooperation with previous CRA

Not Applicable

### Any other information

None

### 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>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.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](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
23 Dec 2022	Bank Guarantee (BLR)	Short Term	0.25	ACUITE A3 (Reaffirmed)
	Cash Credit	Long Term	60.00	ACUITE BBB-   Negative (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	4.75	ACUITE BBB-   Negative (Reaffirmed)
27 Sep 2021	Bank Guarantee (BLR)	Short Term	0.25	ACUITE A3 (Assigned)
	Cash Credit	Long Term	60.00	ACUITE BBB-   Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	4.75	ACUITE BBB-   Stable (Reaffirmed)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
State Bank of India	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	0.25	ACUITE A4+   Downgraded   Issuer not co-operating* (from ACUITE A3)
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	60.00	ACUITE BB+   Downgraded   Issuer not co-operating* (from ACUITE BBB-)
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	4.75	ACUITE BB+   Downgraded   Issuer not co-operating* (from ACUITE BBB-)

## Contacts

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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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