



**Press Release**  
**RYDAK SYNDICATE LIMITED**  
**July 31, 2024**

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

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	27.25	ACUITE BB   Downgraded   Issuer not co-operating*	-
Bank Loan Ratings	1.75	-	ACUITE A4+   Reaffirmed   Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	29.00	-	-

**Rating Rationale**

Acuite has downgraded the long-term rating to '**ACUITE BB**' (read as **ACUITE double B**) from '**ACUITE BB+**' (read as **ACUITE double B plus**) and reaffirmed the short term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs. 29.00 crore bank facilities of Rydak Syndicate Limited (RSL) on account of information risk. The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

**About the Company**

Incorporated in 1898, Rydak Syndicate Limited (RSL) is engaged in tea manufacturing business. The company is part of the Jardine Henderson group. Currently, RSL is headed by Mr. Rajvinder Singh, Mr. Subir Das, Mr. Gyan Dutt Goutama and Mr. Suprana Chakrabortti. The company mainly cultivates and manufactures black crush, tear, and curl tea (CTC). It has six tea estates covering production area of 3,309 hectares in West Bengal and Assam. The company manufactures over 50 lakhs kg of tea annually.

**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 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 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). Acuité 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.

**Rating Sensitivity**

"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 23 (Actual)	FY 22 (Actual)
Operating Income	Rs. Cr.	137.09	143.47
PAT	Rs. Cr.	11.45	22.99
PAT Margin	(%)	8.35	16.03
Total Debt/Tangible Net Worth	Times	0.11	0.19
PBDIT/Interest	Times	15.25	19.93

## Status of non-cooperation with previous CRA

Not Applicable

## Any other information

None

## 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, 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
04 May 2023	Cash Credit	Long Term	12.00	ACUITE BB+ (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	11.00	ACUITE BB+ (Reaffirmed & Issuer not co-operating*)
	Working Capital Term Loan	Long Term	2.15	ACUITE BB+ (Reaffirmed & Issuer not co-operating*)
	Working Capital Term Loan	Long Term	1.85	ACUITE BB+ (Reaffirmed & Issuer not co-operating*)
	Proposed Long Term Bank Facility	Long Term	0.25	ACUITE BB+ (Reaffirmed & Issuer not co-operating*)
	Bank Guarantee (BLR)	Short Term	0.50	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Bank Guarantee (BLR)	Short Term	1.25	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
04 Feb 2022	Proposed Long Term Bank Facility	Long Term	0.25	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB-   Stable)
	Working Capital Term Loan	Long Term	1.85	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB-   Stable)
	Working Capital Term Loan	Long Term	2.15	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB-   Stable)
	Cash Credit	Long Term	11.00	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB-   Stable)
	Cash Credit	Long Term	12.00	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB-   Stable)
	Bank Guarantee/Letter of Guarantee	Short Term	1.25	ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A3)
	Bank Guarantee/Letter of Guarantee	Short Term	0.50	ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A3)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Axis Bank	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	0.50	ACUITE A4+   Reaffirmed   Issuer not co-operating*
Kotak Mahindra Bank	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	1.25	ACUITE A4+   Reaffirmed   Issuer not co-operating*
Axis Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	12.00	ACUITE BB   Downgraded   Issuer not co-operating* ( from ACUITE BB+ )
Kotak Mahindra Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	11.00	ACUITE BB   Downgraded   Issuer not co-operating* ( from ACUITE BB+ )
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	0.25	ACUITE BB   Downgraded   Issuer not co-operating* ( from ACUITE BB+ )
Axis Bank	Not avl. / Not appl.	Working Capital Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	2.15	ACUITE BB   Downgraded   Issuer not co-operating* ( from ACUITE BB+ )
Kotak Mahindra Bank	Not avl. / Not appl.	Working Capital Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	1.85	ACUITE BB   Downgraded   Issuer not co-operating* ( from ACUITE BB+ )

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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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