



Press Release
SNEHA FARMS PRIVATE LIMITED
February 04, 2025
Rating Downgraded & Withdrawn and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	1705.49	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating*	-
Bank Loan Ratings	152.40	Not Applicable Withdrawn	-
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	1857.89	-	-

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

Rating Rationale

Acuite has downgraded and withdrawn its long-term rating to '**ACUITE BB+**' (read as **ACUITE Double B Plus**) from '**ACUITE A+**' (read as **ACUITE A Plus**) on Rs.1705.49 crore bank facilities of Sneha Farms Private Limited (SFPL). The rating has been withdrawn on account of the request received from the company and the NOC (No Objection Certificate) received from the banker.

Acuite has also withdrawn its rating on the proposed long-term facilities of Rs.152.40 Cr. of Sneha Farms Private Limited (SFPL) without assigning any rating as it is a proposed facility. The rating has been withdrawn on account of the request received from the company.

The rating is now flagged as "Issuer Not-Cooperating" and is based on the best available information. The rating is downgraded on account of information risk.

The rating has been withdrawn as per Acuite's policy of withdrawal of ratings as applicable to the respective instrument/facility.

About the Company

Hyderabad-based SFPL was incorporated in 1994 by Mr. D. Ram Reddy, Mr. Gopal Reddy, and Mrs. Anuradha. SFPL is the flagship company of Sneha Group (SG), which comprises Sneha Farms Private Limited and Sneha Foods and Feeds Private Limited (SFFPL). The group is engaged in poultry integration, feeds, premixes, solvent extractions, and the refining of edible oils. SG operates under the brand name "Sneha Fresh Chicken".

About the Group

The Sneha Group (SG) was established by the incorporation of Sneha Farms Private Limited (SFPL) in 1994, followed by the incorporation of Sneha Foods and Feeds Private Limited (SFFPL) in 2008. SFFPL is in the business of soy edible oil extraction, with an installed capacity of 750 tonnes per day. Considering the increasing need for feed, the group is currently constructing a new solvent extraction plant under the name of Sneha Gold Proteins Private Limited. The group has presence in key locations across India, i.e., Maharashtra, Andhra Pradesh, Hyderabad, Telangana, etc. Further, the group has a strong sales and distribution network through its own retail outlets, multiple franchisee outlets, and collaborations with regional restaurants. SG employs around 5,696 employees across all of its facilities. SG has acquired Singh Poultry Private Limited (SPPL) a Hyderabad based

company engaged in brooding, growing, laying of hatching eggs and sale of one-day old broiler chicks and was established in 1976. The company was previously owned by Mr. Komatreddy Venkat Reddy SPPL has a breeding capacity of 1 lakh breeders. Sneha Farms Private Limited has acquired SPPL during May, 2023 With this acquisition SFPL has further addition of capacity by 1 lakh breeder birds.

Unsupported Rating

Not Applicable

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 the due date. Acuité 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

This rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower) . Acuite endeavoured to gather information about the entity/industry from the public domain. Any rating with the suffix 'Issuer not cooperating' is assigned without any management interaction with the issuer entity or any data / information from the entity. Sometimes this non co-operation by a rated entity may be due to a result of deterioration in the credit risk profile of the entity. 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 23 (Provisional)	FY 22 (Actual)
Operating Income	Rs. Cr.	4985.27	4698.40
PAT	Rs. Cr.	217.21	323.31
PAT Margin	(%)	4.36	6.88
Total Debt/Tangible Net Worth	Times	0.69	0.59
PBDIT/Interest	Times	6.07	9.95

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>
- Complexity Level Of Financial Instruments: <https://www.acuite.in/view-rating-criteria-55.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.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. Acuité'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
07 Nov 2023	Cash Credit	Long Term	92.00	ACUITE A+ Stable (Reaffirmed)
	Cash Credit	Long Term	68.00	ACUITE A+ Stable (Assigned)
	Cash Credit	Long Term	210.00	ACUITE A+ Stable (Reaffirmed)
	Cash Credit	Long Term	25.00	ACUITE A+ Stable (Assigned)
	Term Loan	Long Term	0.17	ACUITE A+ Stable (Reaffirmed)
	Cash Credit	Long Term	155.00	ACUITE A+ Stable (Reaffirmed)
	Term Loan	Long Term	60.75	ACUITE A+ Stable (Reaffirmed)
	Cash Credit	Long Term	105.00	ACUITE A+ Stable (Reaffirmed)
	Term Loan	Long Term	22.50	ACUITE A+ Stable (Reaffirmed)
	Term Loan	Long Term	41.39	ACUITE A+ Stable (Reaffirmed)
	Term Loan	Long Term	40.10	ACUITE A+ Stable (Reaffirmed)
	Term Loan	Long Term	50.60	ACUITE A+ Stable (Reaffirmed)
	Term Loan	Long Term	14.29	ACUITE A+ Stable (Reaffirmed)
	Term Loan	Long Term	52.11	ACUITE A+ Stable (Reaffirmed)
	Cash Credit	Long Term	100.00	ACUITE A+ Stable (Reaffirmed)
	Term Loan	Long Term	50.00	ACUITE A+ Stable (Reaffirmed)
	Working Capital Demand Loan (WC DL)	Long Term	125.00	ACUITE A+ Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	55.98	ACUITE A+ Stable (Reaffirmed)
	Cash Credit	Long Term	120.00	ACUITE A+ Stable (Assigned)
	Term Loan	Long Term	125.00	ACUITE A+ Stable (Assigned)
	Term Loan	Long Term	63.00	ACUITE A+ Stable (Assigned)
	Term Loan	Long Term	35.00	ACUITE A+ Stable (Assigned)
	Proposed Long Term Bank Facility	Long Term	75.00	ACUITE A+ Stable (Reaffirmed)
	Term Loan	Long Term	40.00	ACUITE A+ Stable (Reaffirmed)
	Term Loan	Long Term	49.11	ACUITE A+ Stable (Reaffirmed)
Term Loan	Long Term	61.47	ACUITE A+ Stable (Assigned)	
Proposed Long Term Bank Facility	Long Term	21.42	ACUITE A+ Stable (Assigned)	
	Cash Credit	Long Term	92.00	ACUITE A+ Stable (Reaffirmed)
	Cash Credit	Long Term	210.00	ACUITE A+ Stable (Reaffirmed)

01 Jun 2023	Term Loan	Long Term	0.17	ACUITE A+ Stable (Reaffirmed)
	Cash Credit	Long Term	155.00	ACUITE A+ Stable (Reaffirmed)
	Term Loan	Long Term	60.75	ACUITE A+ Stable (Reaffirmed)
	Cash Credit	Long Term	105.00	ACUITE A+ Stable (Reaffirmed)
	Term Loan	Long Term	22.50	ACUITE A+ Stable (Reaffirmed)
	Term Loan	Long Term	49.11	ACUITE A+ Stable (Reaffirmed)
	Term Loan	Long Term	41.39	ACUITE A+ Stable (Reaffirmed)
	Term Loan	Long Term	40.10	ACUITE A+ Stable (Reaffirmed)
	Term Loan	Long Term	50.60	ACUITE A+ Stable (Reaffirmed)
	Term Loan	Long Term	40.00	ACUITE A+ Stable (Reaffirmed)
	Term Loan	Long Term	14.29	ACUITE A+ Stable (Reaffirmed)
	Term Loan	Long Term	52.11	ACUITE A+ Stable (Reaffirmed)
	Cash Credit	Long Term	100.00	ACUITE A+ Stable (Reaffirmed)
	Term Loan	Long Term	50.00	ACUITE A+ Stable (Reaffirmed)
	Cash Credit	Long Term	125.00	ACUITE A+ Stable (Reaffirmed)
	Term Loan	Long Term	75.00	ACUITE A+ Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	55.98	ACUITE A+ Stable (Reaffirmed)
03 Mar 2022	Cash Credit	Long Term	120.00	ACUITE A+ Stable (Upgraded from ACUITE A Stable)
	Cash Credit	Long Term	180.00	ACUITE A+ Stable (Upgraded from ACUITE A Stable)
	Term Loan	Long Term	4.69	ACUITE A+ Stable (Upgraded from ACUITE A Stable)
	Cash Credit	Long Term	50.00	ACUITE A+ Stable (Upgraded from ACUITE A Stable)
	Term Loan	Long Term	1.50	ACUITE A+ Stable (Upgraded from ACUITE A Stable)
	Cash Credit	Long Term	105.00	ACUITE A+ Stable (Upgraded from ACUITE A Stable)
	Term Loan	Long Term	50.22	ACUITE A+ Stable (Upgraded from ACUITE A Stable)
	Cash Credit	Long Term	95.00	ACUITE A+ Stable (Upgraded from ACUITE A Stable)
	Term Loan	Long Term	46.05	ACUITE A+ Stable (Upgraded from ACUITE A Stable)
	Working Capital Demand Loan (WCDL)	Long Term	75.00	ACUITE A+ Stable (Upgraded from ACUITE A Stable)
	Term Loan	Long Term	59.11	ACUITE A+ Stable (Upgraded from ACUITE A Stable)
	Term Loan	Long Term	52.02	ACUITE A+ Stable (Upgraded from ACUITE A Stable)
	Term Loan	Long Term	40.10	ACUITE A+ Stable (Upgraded from ACUITE A Stable)
	Term Loan	Long Term	50.60	ACUITE A+ Stable (Upgraded from ACUITE A Stable)
	Long			

Proposed Long Term Loan	Term	17.90	ACUITE A+ Stable (Assigned)
Term Loan	Long Term	40.00	ACUITE A+ Stable (Assigned)
Term Loan	Long Term	51.50	ACUITE A+ Stable (Assigned)
Proposed Cash Credit	Long Term	100.00	ACUITE A+ Stable (Assigned)
Proposed Long Term Loan	Long Term	61.22	ACUITE A+ Stable (Assigned)
Cash Credit	Long Term	50.00	ACUITE A+ Stable (Assigned)
Term Loan	Long Term	75.00	ACUITE A+ Stable (Assigned)
Proposed Long Term Bank Facility	Long Term	4.38	ACUITE A+ Stable (Assigned)
Proposed Short Term Bank Facility	Short Term	9.71	ACUITE A1 (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Canara Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	160.00	Simple	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE A+)
Union Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	235.00	Simple	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE A+)
HDFC Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	155.00	Simple	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE A+)
Yes Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	105.00	Simple	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE A+)
Indian Overseas Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	120.00	Simple	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE A+)
Axis Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	100.00	Simple	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE A+)
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	75.00	Simple	Not Applicable Withdrawn
ICICI Bank Ltd	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	55.98	Simple	Not Applicable Withdrawn
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	21.42	Simple	Not Applicable Withdrawn
HDFC Bank Ltd	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	40.00	Simple	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE A+)
Indusind Bank Ltd	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	110.58	Simple	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE A+)
Axis Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	50.00	Simple	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE A+)
* The issuer did not co-operate; based on best available information.								ACUITE BB+

Bajaj Finance Ltd.	avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	125.00	Simple	Downgraded & Withdrawn Issuer not co-operating* (from ACUITE A+)
Yes Bank Ltd	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	63.00	Simple	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE A+)
Kotak Mahindra Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	35.00	Simple	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE A+)
Yes Bank Ltd	Not avl. / Not appl.	Term Loan	30 Apr 2018	Not avl. / Not appl.	31 Oct 2023	22.50	Simple	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE A+)
Canara Bank	Not avl. / Not appl.	Term Loan	01 Sep 2020	Not avl. / Not appl.	28 Feb 2028	41.39	Simple	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE A+)
Yes Bank Ltd	Not avl. / Not appl.	Term Loan	17 Jan 2022	Not avl. / Not appl.	31 Dec 2029	40.10	Simple	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE A+)
Yes Bank Ltd	Not avl. / Not appl.	Term Loan	17 Jan 2022	Not avl. / Not appl.	31 Dec 2029	50.60	Simple	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE A+)
Union Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	14.29	Simple	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE A+)
HDFC Bank Ltd	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	52.11	Simple	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE A+)
HDFC Bank Ltd	Not avl. / Not appl.	Term Loan	16 Jul 2020	Not avl. / Not appl.	31 Jul 2027	60.75	Simple	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE A+)
Union Bank of India	Not avl. / Not appl.	Term Loan	01 Nov 2015	Not avl. / Not appl.	31 Oct 2022	0.17	Simple	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE A+)
RBL Bank	Not avl. / Not appl.	Working Capital Demand Loan (WCDL)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	125.00	Simple	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE A+)

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

***Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)**

Sr. No.	Company name

1	Sneha Farms Private Limited
2	Sneha Foods and Feeds Private Limited
3	Sneha Gold Proteins Private Limited

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