

Press Release

Shreyas Sortex Industries Private Limited

March 17, 2023



Rating Withdrawn

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	70.00	Not Applicable Withdrawn	-
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	70.00	-	-

Rating Rationale

Acuite has withdrawn the rating on the Rs. 70.00 crore bank facilities of Shreyas Sortex Industries Private Limited (SSPL). The rating withdrawal is in accordance with Acuite's policy on withdrawal of rating. The rating is being withdrawn on account of request received from the company and NDC received from the banker.

About the Company

Shreyas Sortex Industries Private Limited, established in 2015 as a private limited company by Mr. Vinay Kumar Singh and Mrs. Tara Singh. The company mills and processes basmati and non-basmati rice. The company is running a unit of Automatic Rice Mill at Balia, Uttar Pradesh with the capacity of 54 M.T. per hour. The commercial production of the unit started in November 2015 with installed Capacity of 10 MT per hour which was further expanded by 20 MT per hour in December 2016 and 12 MT per hour in Feb 2018. In November 2021, the company added another 12MT per hour.

Analytical Approach

Not Applicable.

Key Rating Drivers

Strengths

Not Applicable.

Weaknesses

Not Applicable.

Rating Sensitivities

Not Applicable.

Material covenants

Not Applicable.

Liquidity Position:

Not Applicable

Outlook: Not Applicable**Other Factors affecting Rating**

None.

Key Financials

Particulars	Unit	FY 22 (Actual)	FY 21 (Actual)
Operating Income	Rs. Cr.	964.49	235.61
PAT	Rs. Cr.	6.44	1.39
PAT Margin	(%)	0.67	0.59
Total Debt/Tangible Net Worth	Times	1.58	3.57
PBDIT/Interest	Times	2.90	1.97

Status of non-cooperation with previous CRA (if applicable)

Company's rating has been mentioned by Brickwork as "BWR BB; INC" in Press Release dated 4th April 2022.

Any other information

None.

Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Entities In Manufacturing Sector:- <https://www.acuite.in/view-rating-criteria-59.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

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
21 Dec 2021	Proposed Cash Credit	Long Term	3.74	ACUITE BBB- Stable (Assigned)
	Term Loan	Long Term	16.26	ACUITE BBB- Stable (Assigned)
	Cash Credit	Long Term	10.00	ACUITE BBB- Stable (Assigned)
	Cash Credit	Long Term	40.00	ACUITE BBB- 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
State Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	50.00	Not Applicable Withdrawn
Not Applicable	Not Applicable	Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	3.74	Not Applicable Withdrawn
State Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	16.26	Not Applicable Withdrawn

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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