



### Press Release

## REFEX HOLDING PRIVATE LIMITED (ERSTWHILE SHERISHA TECHNOLOGIES PRIVATE LIMITED)

July 07, 2025

### Rating Reaffirmed

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	50.00	ACUITE A-   Stable   Reaffirmed	-
Bank Loan Ratings	50.00	-	ACUITE A2+   Reaffirmed
Total Outstanding Quantum (Rs. Cr)	100.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

### Rating Rationale

Acuite has reaffirmed its long-term rating of 'ACUITE A-' (read as ACUITE A minus) on the Rs.50.00 Cr. bank facilities and short-term rating of 'ACUITE A2+' (read as ACUITE A two plus) on the Rs. 50.00 Cr. bank facilities of Refex Holding Private Limited (Erstwhile Sherisha Technologies Private Limited) (RHPL). The outlook is 'Stable'.

### Rationale for Rating Reaffirmation

The rating reaffirmation reflects RHPL being the ultimate holding company and an investment arm of the group including revenue streams from diversified sectors through wholly owned subsidiaries, dividend income from its investments, profits from partnership firms and joint ventures among few. The rating also factors in the significant improvement in the scalability due to acquisition of controlling stake in Refex Industries Limited (RIL) on March 28, 2024, healthy financial risk profile of the group with adequate financial flexibility to avail loans from related parties, group companies, some of which are repayable on demand. However, the rating is constrained by working capital intensive operations and its exposure to subsidiaries, associates and JVs in the form of contingent liabilities which are ~ 46 per cent of its net worth as of March 2024.

### About the Company

Refex Holding Private Limited (RHPL) (Erstwhile Sherisha Technologies Private Limited) is a private limited company domiciled and headquartered in Tamil Nadu; India was incorporated on 22/01/2010. RHPL is engaged as an ultimate Holding entity of the group, O&M service provider, Manpower service provider both to group and nongroup entities; coal trading, ash handling business, gypsum selling/trading business. Also has income by way of receipt of dividends from the listed cum unlisted entities of the RHPL Group & from interest income on ICDs, loans & advances given to group companies. Directors of the company are Mr. Anil Jain (MD) and Mr. Dinesh Kumar Agarwal (Whole time Director).

Sherisha Technologies Private Limited, was merged into SunEdison Energy India Private Limited. This merger was approved by the national company law tribunal (NCLT) and became effective on September 8, 2022. Upon merger the name of SunEdison Energy India Private Limited changed to Sherisha Technologies Private Limited (STPL).

### About the Group

The Refex Group, commenced its journey in 2002 with incorporation of Refex Industries Limited (RIL), currently comprises of 14 Subsidiaries and 18 step- down subsidiaries, engaged across a diversified range of businesses including industrial gases, coal trading, ash handling, renewable energy, power trading, pharmaceuticals, airport Management, Edible oil, among others. Some of the key entities within the group include: Refex Industries

Limited: Engaged in coal trading, ash handling for power plants, and refilling of refrigerant gases in India. Reflex Industries contributes approximately 73 percent of the group's total revenue. VS Lignite Private Limited: Engaged in the production, collection and distribution of electricity. It contributes approximately 9 percent to the group's total revenue. RL Fine Chem Private Limited: Engaged in Manufacturing of basic chemicals. It contributes approximately 10 percent to the group's total revenue.

## Unsupported Rating

Not Applicable

## Analytical Approach

### Extent of Consolidation

- Full Consolidation

### Rationale for Consolidation or Parent / Group / Govt. Support

Acuité has considered the consolidated business and financial risk profiles of RHPL (including consolidated financial and business risk profile of RIL) with its subsidiaries and step-down subsidiaries (hereinafter called as the 'Refex group') to arrive at the rating. The list of subsidiaries consolidated has been added below, separately in the Annexures-2.

## Key Rating Drivers

### Strengths

#### Promoters' extensive experience in industry and long track record of operations

Refex group is managed by Mr. Anil Jain and Mr. Tarachand Jain, supported by a team of experienced professionals. Mr. Anil Jain has been associated with the group since its inception; this has helped the group to establish strong market presence. He has over 23 years of experience in heading various business operations and is actively involved with various trade bodies such as The Associated Chambers of Commerce and Industry in India (ASSOCHAM) and the National Solar Energy Federation of India (NSEFI). Mr. Jain oversees the day -to-day operations of the companies under the group. The directors' long-standing experience and the group's established track record have enabled it to build strong relationships with key suppliers and customers.

Acuité believes that the promoter's extensive industry experience will support the group's business risk profile over the medium term.

#### Improvement in scale of operations and diversified revenue streams

Refex group recorded a revenue of ~ Rs. 899.17 Cr. in FY24 as compared to Rs. 1155.15 Cr. in FY23. Although revenues declined, the group's operating margins improved to 38.44 per cent in FY24 from 37.59 per cent in FY23. However, the PAT margins deteriorated to 17.74 per cent in FY24 as against 28.00 per cent in FY23. The decline in revenues in FY24 was primarily attributable to the absence of other related income, which in the previous year included as a one-time reversal of a provision created by the group. In FY25, the group's scale of operations estimated to improve significantly with revenue rising to ~ Rs. 3371.80 Cr. (Est) as compared to Rs. 899.17 Cr. in the previous year. The substantial growth was primarily driven by Refex Industries Limited (RIL) becoming a subsidiary of RHPL (53.37 per cent stake) effective from March 28, 2024. In FY2025 RIL on a consolidated basis reported operating profit of Rs. 210.00 Cr. on an operating income of Rs. 2468.00 Cr. in FY2025 as against operating profit of Rs. 146.00 Cr. on an operating income of Rs. 1383.00 Cr. in FY2024.

Refex group operates through several entities engaged in diversified range of businesses including industrial gases, coal trading, ash handling, renewable energy, power trading, pharmaceuticals, airport Management, Edible oil, among others. This diversification enables the group to maintain multiple revenue streams and reduces its dependency on any single sector. In FY25 RHPL also acquired K S Oils Limited with a total consideration of ~ Rs. 69 Cr. (funded through term loan of Rs. 40.00 Cr.), further expanding its business portfolio. Additionally, the group is actively pursuing acquisitions in the pharmaceutical, green mobility and MedTech sectors to strengthen its market position.

Acuite believes, the operating performance of the Refex group would continue to improve in the medium to longterm owing to diversified revenue streams and acquisitions.

### Healthy financial risk profile

The financial risk profile of the Refex group is healthy marked by strong net worth, low gearing, and comfortable debt protection metrics. The tangible net worth of the Refex group stood at Rs.1166.81 Cr. in FY24 as compared to Rs 1107.15 Cr. in FY23. The group's total outstanding debt of Rs. 1137.71Cr, comprises of Rs. 484.23 Cr. long-term debt, Rs. 441.37 Cr. short-term debt (Includes ICDs of Rs. 160.08 Cr.), Rs. 62.93 Cr. unsecured loans from promoters and Rs. 149.18 Cr. CPLTD as of March 31, 2024. The gearing stood at 0.98 times in FY24 as compared to 0.77 times in FY23.

Further, debt protection metrics of Refex Group stood comfortable with Interest coverage ratio (ICR) of 3.13 times in FY2024 as against 5.24 times in FY2023. The Debt Service Coverage Ratio (DSCR) of the group stood at 1.72 times in FY 2024, compared to 3.70 times in the previous year. The net cash accruals to total debt (NCA/TD) stood at 0.18 times as on 31st March 2024 as compared to 0.42 times in the previous year. Additionally, RHPL has extended corporate guarantee of Rs.537.89 Cr. as of March 31st, 2024, to its subsidiaries and group companies, representing approximately 46 per cent of its net worth as of March 2024. This could deteriorate the group's leverage and overall financial risk profile in the event of any invocation of these guarantees.

## **Weaknesses**

### **Working capital intensive operations**

The group's operations are working capital intensive in nature, as reflected by GCA of 492 days in FY2024 against 232 days in FY2023. The Debtors' collection period elongated to 192 days in FY2024 from 93 days in FY2023. Inventory days rose to 80 days in FY2024 from 56 days in FY2023. Additionally, the creditors' days increased to 333 days in FY2024 from 190 days in FY2023. The GCA days are estimated to be in the range of 380 to 400 days in FY2025. Furthermore, the company's fund-based working capital limit utilization remained moderate, with average utilization of fund-based bank facilities at ~56 per cent over the last 12 months ending December 2024. Acuité believes that the working capital operations of the company will continue to remain in similar range due to the nature of its business.

### **Sizeable investment and exposure of corporate guarantees to subsidiaries, step-down subsidiaries, associates and related parties**

Reflex group has a sizeable investment in joint ventures, associates and other entities, amounting to ~ Rs. 395.31 Cr. as of FY2024, which represents around 33.88 per cent of its net worth. Furthermore, loans and advances to the extent of Rs. 104.51 Cr. extended to group companies and related parties as on March 31, 2024. Additionally, the group has also extended significant corporate guarantees to group companies, amounting to approximately Rs.537.89 Cr. as of March 31st, 2024, representing about 46 per cent of its net worth. As of February 28, 2025, the corporate guarantees stood at Rs. 551.37 Cr. will represent approximately 26 per cent of its net worth as on March 31, 2025(Est). Such large exposures, both in terms of investments and guarantees, could have a negative bearing on the company's leverage and overall financial risk profile in the event of any invocation, thus would remain as a key rating monitorable.

### **Presence of intense competition in the sectors; impact of change in regulations**

With Reflex Industries Limited (RIL) becoming a subsidiary of RHPL, the business risks associated with Reflex are now directly linked to the Reflex group. As Reflex is the major contributor to RHPL's revenue in FY25, its operational and market vulnerabilities inherently impact the group's overall risk profile. Under the current import policy, coal can be freely imported under the Open General License by the consumers themselves, considering their needs based on their commercial prudence, thus enabling the entry of many players into the sector and leading to intense competition, as evident from the low profitability margins.

Acuité believes that any change in regulations and policies could have an impact on the business risk profile of the Reflex group.

### **ESG Factors Relevant for Rating**

Reflex Group has established a robust ESG governance framework with a fully autonomous ESG team reporting directly to the CEO and MD, leads the implementation and oversight of key governance practices. The group has established comprehensive policies such as QHSE, ABAC, Code of Conduct, and CSR are in place, supported by an effective grievance redressal mechanism. ESG performance is reviewed quarterly by the board, and sustainability disclosures are made annually in the public domain, the group aims to achieve Net zero emissions by 2040 and become water positive by 2035. In FY 2023-24, over 100,000 tons of carbon emissions were abated, and 50 million+ metric tons of coal ash were recycled. RHPL group has restored 71 hectares of degraded land and rehabilitated multiple water bodies, including a 1 km project in Odisha. A dedicated centre for ecosystem restoration was launched in partnership with UNGCNI, alongside coastal mangrove restoration efforts. CSR efforts have exceeded 350 per cent of the mandated spend, focusing on child education, water conservation, biodiversity, and humanitarian support. The refrigerant gas plant operates as a carbon-negative facility and contributes power back to the grid.

### **Rating Sensitivities**

Sustain improvement in the scale of operations and profitability

Improvement in working capital cycle

Deterioration in the overall financial risk profile of the group owing to higher-than-expected debt funded capex or acquisitions.

Any invocation or significant increase of corporate guarantee having adverse bearing on the financial or liquidity risk profile of the group.

Significant changes in the operating and credit risk profile of the subsidiaries.

### **Liquidity Position**

#### **Adequate**

The company's liquidity position is adequate. It has generated sufficient net cash accruals of Rs. 204.45 Cr. in FY2024 as against its maturity debt obligations of Rs. 77.19 Cr. during the same tenor. Further, it is expected to generate cash flows of ~ Rs. 367.99 – Rs.495.92 Cr. as against maturing repayment obligations of around ~Rs.125.00 – Rs. 149.18 Cr. over the medium term. Further, reliance on fund-based working capital limits remained moderate with utilisation stood at ~56 per cent over the past 12 months ending December 2024. The

cash and bank balance for FY24 stood at Rs. 98.99 Cr. The current ratio for FY24 stood at 1.01 times.

Acuite believes that company's liquidity position would remain adequate over the medium term on account of expected steady cash accruals

**Outlook: Stable**

**Other Factors affecting Rating**

None

## Key Financials

Particulars	Unit	FY 24 (Actual)	FY 23 (Actual)
Operating Income	Rs. Cr.	899.17	1155.15
PAT	Rs. Cr.	159.51	323.48
PAT Margin	(%)	17.74	28.00
Total Debt/Tangible Net Worth	Times	0.98	0.77
PBDIT/Interest	Times	3.13	5.24

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

Not Applicable

## Any Other Information

None

## Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Service Sector: <https://www.acuite.in/view-rating-criteria-50.htm>
- Trading Entities: <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, 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](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook	
02 May 2025	Term Loan	Long Term	28.85	ACUITE A-	Stable (Assigned)
	Proposed Long Term Loan	Long Term	21.15	ACUITE A-	Stable (Assigned)
	Proposed Bank Guarantee	Short Term	50.00	ACUITE A2+ (Assigned)	

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Not Applicable	Not avl. / Not appl.	Proposed Bank Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	50.00	Simple	ACUITE A2+   Reaffirmed
Not Applicable	Not avl. / Not appl.	Proposed Long Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	21.15	Simple	ACUITE A-   Stable   Reaffirmed
Vivriti Capital Limited	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	22 Oct 2027	28.85	Simple	ACUITE A-   Stable   Reaffirmed

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

Sr. No.	Company name
1	Sherisha Powertech Private Limited
2	Sherisha Agriculture Private Limited
3	Blister Solar Power Private Limited,
4	Refex Airports And Transportation Private Limited
5	Cura Healthcare Private Limited
6	Anam Fine Chemicals Private Limited,
7	KSK Trust Private Limited
8	STPL Power Services LLP
9	STPL Solutions LLP
10	Grey to Green Transition Private Limited
11	Refex Beverages Private Limited
12	Cauvery Power Generation Chennai Private Limited
13	Refex Industries Ltd
14	Soy Sar Edible Private Limited
15	Refex Holding Private Limited (Erstwhile Sherisha Technologies Private Limited)
16	Refex Green Mobility Limited
17	Refex EV Fleet Services Private Limited
18	Venwind Refex Power Limited



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### About Acuité Ratings & Research

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