

February 03, 2022

Naga Hanuman Solvent Oils Pvt. Ltd.: Rating Withdrawn

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Fund based – Cash Credit	15.00	15.00	[ICRA]BB+ (Stable); Withdrawn
Total	15.00	15.00	

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of **Naga Hanuman Solvent Oils Pvt. Ltd.** at the request of the company and based on the No Objection Certificate received from the bankers, and in accordance with 'ICRA's policy on withdrawal of credit ratings'. However, ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed. The Key Rating Drivers, Liquidity Position, Rating Sensitivities, have not been captured as the related instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here](#).

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA Policy on Withdrawal of Credit Ratings Corporate Credit Rating Methodology
Parent/Group Support	NA
Consolidation/Standalone	NA

About the company

NHSPL, incorporated in 2004, is involved in extraction and refining of rice bran oil and cotton seed oil. Its solvent extraction unit is located in Muppavaram village, West Godavari district with a capacity of 148 MT per day. It has a refinery with a capacity of 197 MT per day. The promoters of the company are Mr. Nukala Rama Krishan and Mr. Nukula Balaji, who have vast experience in this industry.

Key financial indicators (audited)

	FY2019	FY 2020
Operating Income (Rs. crore)	215.5	240.7
PAT (Rs. crore)	2.5	2.5
OPBDIT/OI (%)	2.8%	2.6%
PAT/OI (%)	1.2%	1.0%
Total Outside Liabilities/Tangible Net Worth (times)	2.0	2.4
Total Debt/OPBDIT (times)	3.7	3.9
Interest Coverage (times)	2.0	2.4

^{*}Based on provisional results; PAT: Profit after Tax; OPBDIT: Operating Profit before Depreciation, Interest, Taxes and Amortization

Status of non-cooperation with previous CRA: Not Applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2022)				Chronology of Rating History for the past 3 years			
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating in		Date & Rating in FY2021	Date & Rating in FY2020	Date & Rating in FY2019
					Feb 03, 2022	Apr 05, 2021			
1	Cash Credit	Long - Term	15.00	-	[ICRA]BB+ (Stable); Withdrawn	[ICRA]BB+ (Stable)	-	[ICRA]BB+ (Stable)	-

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: www.icra.in

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Cash Credit	NA	NA	NA	15.00	[ICRA]BB+ (Stable); Withdrawn

Source: *company*

Annexure-2: List of entities considered for consolidated analysis: Not Applicable

ANALYST CONTACTS

Jayanta Roy

+91 33-71501100

jayanta@icraindia.com

Priyesh N. Ruparelia

+91 22 6114 3441

priyesh.ruparelia@icraindia.com

Manish Pathak

+91 079 4027528

manishp@icraindia.com

Raunak Agrawal

+91 8939957111

raunak.agrawal@icraindia.com

RELATIONSHIP CONTACT

Jayanta Chatterjee

+91 80 4332 6401

jayantac@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani

Tel: +91 124 4545 860

communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

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ICRA Limited



Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45



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