

May 24, 2019

Somnath Agro Industries: Ratings Withdrawn

Summary of rated instruments

Instrument	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Fund based- Cash Credit	5.00	5.00	[ICRA]B (Stable); Withdrawn
Fund based- Export Packing Credit*	(1.00)	(1.00)	[ICRA]A4; Withdrawn
Unallocated	0.42	0.42	[ICRA]B (Stable)/[ICRA]A4; Withdrawn
Total	5.42	5.42	

*sub-limit of cash credit

Rating action

ICRA has withdrawn the long-term rating of [ICRA]B (pronounced ICRA B)¹ with a Stable outlook and short-term rating of [ICRA]A4 (pronounced ICRA A four) assigned to the Rs. 5.42 crore² bank facilities of Somnath Agro Industries (SAI).

Rationale

The ratings assigned to Somnath Agro Industries have been withdrawn on receipt of No Dues certificate.

Outlook: Not applicable

Key rating drivers

Not Applicable

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology ICRA's Policy on Withdrawal and Suspension of Credit Rating
Parent/Group Support	Not applicable
Consolidation / Standalone	Standalone

¹ For complete rating scale and definitions, please refer to ICRA's website www.icra.in or other ICRA Rating Publications

² 100 lakh = 1 crore = 10 million

About the company:

Established in 2012, Somnath Agro Industries (SAI) is involved in the business of processing and trading of agro-commodities such as sesame seeds, cumin seeds, mustard seeds, coriander etc. The firm's processing facility is located at Halvad in Gujarat with an installed capacity of 21,600 metric tonnes per annum (MTPA). The partners of the firm have long-standing experience in the agro-commodities business through their association with Dariyalala Trading Co. and Varun Agro Products which are also in the similar line of business.

Key financial indicators (audited)

	FY2016	FY2017
Operating Income (Rs. crore)	45.63	49.91
PAT (Rs. crore)	0.05	0.06
OPBDIT/OI (%)	1.45%	1.42%
RoCE (%)	8.04%	8.54%
Total Debt/TNW (times)	2.82	2.77
Total Debt/OPBDIT (times)	7.56	7.77
Interest coverage (times)	1.46	1.28

FY2018 financials not available

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years:

Instrument	Current Rating (FY2020)				Chronology of Rating History for the past 3 years			
	Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. Crore)	Date & Rating May-19	Date & Rating in FY2018 Dec-17	Date & Rating in FY2017 June-16	Date & Rating in FY2016 -	
1 Cash Credit	Long Term	5.00	NA	[ICRA]B (Stable); Withdrawn	[ICRA]B (Stable)	[ICRA]B	-	
2 Export Packing Credit-sublimit of CC	Short Term	(1.00)	NA	[ICRA]A4; Withdrawn	[ICRA]A4	[ICRA]A4	-	
3 Unallocated	Long Term/ Short Term	0.42	NA	[ICRA]B (Stable)/ [ICRA]A4; Withdrawn	[ICRA]B (Stable)/ [ICRA]A4	-	-	

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the 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	-	-	5.00	[ICRA]B(Stable); Withdrawn
NA	Export Packing Credit Limit- sublimit of CC	NA	-	-	(1.00)	[ICRA]A4; Withdrawn
NA	Unallocated Limit	NA	-	-	0.42	[ICRA]B(Stable)/ [ICRA]A4; Withdrawn

Source: Somnath Agro Industries

Annexure-2: List of entities considered for consolidated analysis

Not applicable

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