



## Press Release

### Siva Sai Exports (SSE)

July 5, 2024

#### Ratings:

Instrument / Facility	Amount (INR Crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	17.91	IVR BB+/ Negative; ISSUER NOT COOPERATING* / (IVR Double B Plus with Negative Outlook; Issuer Not Cooperating) *	IVR BBB-/ Stable (IVR Triple B Minus with Stable Outlook)	Rating downgraded, outlook changed to Negative and moved to ISSUER NOT COOPERATING CATEGORY*	<a href="#">Simple</a>
Short Term Bank Facilities	172.09	IVR A4+; ISSUER NOT COOPERATING* (IVR A Four Plus; Issuer Not Cooperating) *	IVR A3 (IVR A Three)	Rating downgraded and moved to ISSUER NOT COOPERATING CATEGORY*	<a href="#">Simple</a>
Total	Rs. 190.00 (Rupees One Hundred Ninety crore only)				

*\*Issuer did not cooperate; based on best available information*

#### Details of Facility are in Annexure 1

##### Detailed Rationale

Infomerics has downgraded the long-term rating and the short-term rating and moved the ratings assigned of SSE to ISSUER NOT COOPERATING category because of non-receipt of no default statement for the months of April 2024, May 2024, and June 2024 from the firm and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity.

#### Non-cooperation by Issuer



## Press Release

Infomerics has been regularly following up with the company to provide the monthly No Default Statement, vide e-mail communications dated April 30, 2024, May 2, 2024, May 5, 2024, May 7, 2024, May 10, 2024, May 14, 2024, May 16, 2024, May 21, 2024, May 27, 2024, May 31, 2024, June 10, 2024, June 13, 2024, June 17, 2024, June 19, 2024, June 25, 2024, June 26, 2024, June 27, 2024, July 1, 2024 and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted No Default Statements.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the ratings for the bank facilities of SSE aggregating Rs.190.00 crore has been downgraded, outlook changed to Negative and rating moved to 'ISSUER NOT COOPERATING' category as IVR BB+/ Negative; ISSUER NOT COOPERATING / IVR A4+; ISSUER NOT COOPERATING category by Infomerics.

**Analytical Approach:** Standalone

**Applicable Criteria:**

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Policy on issuer not cooperating](#)

[Rating Methodology for Manufacturing Companies](#)

[Criteria of Rating Outlook](#)

[Policy on Default Recognition and Post-Default Curing Period](#)

[Complexity Level of Rated Instruments/Facilities](#)

### **About the Firm**

SSE is a Nasik based partnership firm established in 2007 by Mr. Sambasiva Rao Cherukuri and Mrs. Siva Kumari Cherukuri. SSE is engaged in processing, frozen storage, packaging, and B2B sale of fruits and vegetables. The firm is operating two units one each at Khedgaon and Vinchur in Maharashtra. It exports agri products by processing them through IQF technology so that perishability of the products gets improved. Exports constitute to nearly 80% of SSE's revenue, which is made to Russia and European Countries and the domestic sales of the firm are made to PAN India customers. SSE procures fruits and vegetables mainly from farmers in Nasik (70%) and as per seasonal requirements procurement is done from the



## Press Release

Rest of India. SSE is currently managed by Mr. Sambasiva Rao Cherukuri and Mrs. Siva Kumari Cherukuri. The partners are actively involved in the day-to-day affairs of the firm, ably supported by a well experienced second line of executives.

### Financials (Standalone):

(Rs. crore)

For the year ended/ As on*	31-03-2022	31-03-2023
	<b>Audited</b>	<b>Audited</b>
Total Operating Income	250.68	271.77
EBITDA	19.12	27.63
PAT	4.69	5.16
Total Debt	75.64	73.75
Tangible Net Worth	72.77	79.60
EBITDA Margin (%)	7.63	10.17
PAT Margin (%)	1.87	1.89
Overall Gearing Ratio (x)	1.04	0.93
Interest Coverage (x)	2.40	3.27

\*Classification as per Infomerics' standards

**Status of non-cooperation with previous CRA:** Nil

**Any other information:** Nil

### Rating History for last three years:

S. No	Name of Instrument/ Facilities	Current Rating (Year 2024-25)			Rating History for the past 3 years		
		Type	Amount outstanding (INR Crore)	Rating	Date(s) & Rating(s) assigned in 2023-24 (October 3, 2023)	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22
1.	Long Term Bank Facilities – Term Loan	Long Term	17.91	IVR BB+/ Negative; ISSUER NOT COOPERATING*	IVR BBB-/ Stable	-	-
2.	Short Term Bank Facilities – Packing Credit	Short Term	95.00	IVR A4+; ISSUER NOT COOPERATING*	IVR A3	-	-
3.	Short Term Bank Facilities –	Short Term	7.00	IVR A4+; ISSUER NOT COOPERATING*	IVR A3	-	-



## Press Release

	Letter of Credit						
4.	Short Term Bank Facilities – Bank Guarantee	Short Term	1.30	IVR A4+; ISSUER NOT COOPERATING*	IVR A3	-	-
5.	Short Term Bank Facilities – Pre-Settlement Risk (PSR)	Short Term	10.00	IVR A4+; ISSUER NOT COOPERATING*	IVR A3	-	-
6.	Short Term Bank Facilities – Proposed Loan	Short Term	58.79	IVR A4+; ISSUER NOT COOPERATING*	IVR A3	-	-

*\*Issuer did not cooperate; based on best available information*

### Name and Contact Details of the Rating Analyst:

Name: Nilesh Gupta	Name: Amey Joshi
Tel: (022) 62396023	Tel: (022) 62396023
Email: <a href="mailto:nilesh.gupta@infomerics.com">nilesh.gupta@infomerics.com</a>	Email: <a href="mailto:amey.joshi@infomerics.com">amey.joshi@infomerics.com</a>

### About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.



## Press Release

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit [www.infomerics.com](http://www.infomerics.com)

**Disclaimer:** Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

### Annexure 1: Details of Instruments / Facilities

Name of Instruments / Facilities	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (INR Crore)	Rating Assigned/ Outlook
Long Term Bank Facilities – Term Loan	-	-	Upto January 2027	17.91	IVR BB+/ Negative; ISSUER NOT COOPERATING*
Short Term Bank Facilities – Packing Credit	-	-	-	95.00	IVR A4+; ISSUER NOT COOPERATING*
Short Term Bank Facilities – Letter of Credit	-	-	-	7.00	IVR A4+; ISSUER NOT COOPERATING*
Short Term Bank Facilities – Bank Guarantee	-	-	-	1.30	IVR A4+; ISSUER NOT COOPERATING*
Short Term Bank Facilities – Pre-Settlement Risk (PSR)	-	-	-	10.00	IVR A4+; ISSUER NOT COOPERATING*
Short Term Bank Facilities – Proposed Loan	-	-	-	58.79	IVR A4+; ISSUER NOT COOPERATING*

\* Issuer did not cooperate; based on best available information



## Press Release

**Annexure 2: List of companies considered for consolidated analysis: Not Applicable**

**Annexure 3: Facility wise lender details: Not Available**

**Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable**

**Note on complexity levels of the rated instrument:** Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at [www.infomerics.com](http://www.infomerics.com).