



Press Release

Shree Biradev Finance Private Limited

June 13, 2024

Ratings

Instrument / Facility	Amount (Rs. crore)	Ratings	Rating Action	<u>Complexity Indicator</u>
Long term fund-based bank facility – Term loan	2.93	IVR BB/ Negative (ISSUER NOT COOPERATING) * (IVR Double B with Negative Outlook) ISSUER NOT COOPERATING	Downgraded & Moved to ISSUER NOT COOPERATING Category	Simple
Long term fund-based bank facility – Term loan – Cash credit	20.00	IVR BB/ Negative (ISSUER NOT COOPERATING) * (IVR Double B with Negative Outlook) ISSUER NOT COOPERATING	Downgraded & Moved to ISSUER NOT COOPERATING Category	Simple
Proposed Long term fund-based bank facility – Term loan	14.07	IVR BB/ Negative (ISSUER NOT COOPERATING) * (IVR Double B with Negative Outlook) ISSUER NOT COOPERATING	Downgraded & Moved to ISSUER NOT COOPERATING Category	Simple
Total		37.00 (INR thirty-seven crore only)		

* Issuer not cooperating; Based on best available information

Details of Facilities are in Annexure 1



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Infomerics has downgraded the ratings and moved to “Issuer Not Co-Operating” category for various debt facilities/instruments of Shree Biradev Finance Private Limited reflects lack of adequate information available about the performance of the company and 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, despite the rating revision.

Non-cooperation by Issuer:

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities vide mail communications dated 25th April 2024, 30th April 2024, 07th May 2024, 20th May 2024, and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company’s management has not submitted the essential details and fees for surveillance exercise.

Availability of information is very critical in rating exercise. In the absence of the relevant information, in consonance with SEBI guidelines, Infomerics has moved the ratings assigned to the bank loan facilities of Shree Biradev Finance Private Limited aggregating to INR 37.00 crore to the ‘ISSUER NOT COOPERATING’ category. The rating is now denoted as IVR BB; ISSUER NOT COOPERATING/ Negative Outlook for the long-term bank facilities.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Financial Institutions/ NBFCs](#)

[Policy on Issuer not cooperating and surveillance/review of existing rating](#)

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



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[Policy on withdrawal of Ratings](#)

[Criteria of assigning rating outlook](#)

About the company

Karnataka based Shree Biradev Finance Private Limited (SBFPL) was incorporated in 1994. The company is a non-deposit taking NBFC registered with RBI and is engaged in financing of new and used vehicle. As on February 28, 2022, SBFPL was operating out of 21 branches, 20 of which are in the state of Karnataka, and one is in Andhra Pradesh. Further the company is a Revenue Sharing Partner of Hinduja Leyland Finance Limited (HLF) since 9th November 2018. Mr. Ramachandra Raghoji is the Chairman and Managing Director (CMD) who handles the day-to-day operations of the company.

Financials (Standalone):

	(Rs. Crore)	
For the year ended* / As on	31-March-21 (Audited)	31-March-22 (Audited)
Total Operating Income	15.81	20.23
Interest	2.84	3.74
PAT	4.09	5.47
Total Debt	27.57	36.20
Tangible Net-worth	35.57	42.40
<u>Ratios</u>		
PAT Margin (%)	32.32	33.79
Overall Gearing Ratio (x)	0.78	0.85
Total CAR (%)	38.9	34.6
Gross NPA (%)	3.67	3.62
Net NPA (%)	3.03	2.99

**Classification as per Infomerics' standards*

Status of non-cooperation with previous CRA: Nil

Any other information: Nil



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Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Current Ratings	Date(s) & Rating(s) assigned in 2023-24 (April 07, 2023)	Date(s) & Rating(s) assigned in 2022-23 (January 24, 2022)	Date(s) & Rating(s) assigned in 2021-22
1.	Long term fund-based bank facility – Term loan	Long Term	2.93	IVR BB/ Negative (ISSUER NOT COOPERATING) *	IVR BBB-/ Stable	IVR BB+/ Stable	-
2.	Long term fund-based bank facility– Cash credit	Long Term	20.00	IVR BB/ Negative (ISSUER NOT COOPERATING) *	IVR BBB-/ Stable	IVR BB+/ Stable	-
3.	Long term fund-based bank facility – Term loan	Long Term	14.07	IVR BB/ Negative (ISSUER NOT COOPERATING) *	IVR BBB-/ Stable	IVR BB+/ Stable	-

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

Name and Contact Details of the Rating Analyst:

<p>Name: Mr. Amey Joshi Tel: (022) 62396023 Email: amey.joshi@infomerics.com</p>



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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.

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

For more information visit 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.



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Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long term fund based bank facility – Term loan	-	-	Up to Jan 2024	2.93	IVR BB/ Negative; INC
Long term fund based bank facility– Cash credit	-	-	-	20.00	IVR BB/ Negative; INC
Proposed Long term fund based bank facility – Term loan	-	-	-	14.07	IVR BB/ Negative; INC

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

Annexure 3: Facility wise lender details:

<https://www.infomerics.com/admin/prfiles/len-Shree-Biradev-jun24.pdf>

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.