

Press Release

The Sirpur Paper Mills Limited (TSPML)

October 08, 2018



Rating Update

Total Bank Facilities Rated*	Rs. 373.00 Cr.#
Long Term Rating (Indicative)	ACUITE D Issuer not co-operating*
Short Term Rating (Indicative)	ACUITE D Issuer not co-operating*

#Refer Annexure for details

*The issuer did not co-operate; based on best available information.

Rating Rationale

Acuite has reviewed the short term rating of 'Acuite D' (read as Acuite D) on the Rs.373.00 crore bank facilities of The Sirpur Paper Mills Limited (TSPML). This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower:

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Default Recognition -<https://www.acuite.in/view-rating-criteria-17.htm>
- Infrastructure Entities-<https://www.acuite.in/view-rating-criteria-14.htm>

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity:

TSPML, incorporated in 1938, is a Telangana based company engaged in the manufacture of pulp, paper and paperboards.

For FY2013-14, TSPML reported net loss of Rs.90.98crore, on net sales of Rs.417.55 crore, as compared with net loss of Rs.97.10 crore on net sales of Rs.349.93 crore in the previous year.

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

None

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
20-January-2016	Term Loan	Long term	313.00	ACUITE D (Reaffirmed)
	Cash Credit	Long term	48.00	ACUITE D (Reaffirmed)
	Letter of Credit	Short Term	12.00	ACUITE D (Reaffirmed)
06-October-2014	Term Loan	Long term	313.00	ACUITE D (Assigned)
	Cash Credit	Long term	48.00	ACUITE D (Assigned)
	Letter of Credit	Short Term	12.00	ACUITE D (Assigned)

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Term Loan	Not Applicable	Not Applicable	Not Applicable	313.00	ACUITE D Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	48.00	ACUITE D Issuer not co-operating
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	12.00	ACUITE D Issuer not co-operating

*The issuer did not co-operate; based on best available information.

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (*Erstwhile SMERA Ratings Limited*) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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