

Press Release

Pentagon Labs Limited

May 22, 2018



Rating Updated

Total Bank Facilities Rated	Rs.10.26 crore #
Long Term Rating	SMERA B Issuer not co-operating*
Short Term Rating	SMERA A4 Issuer not co-operating*

Refer Annexure for details

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

SMERA has reviewed long term rating of '**SMERA B**' (read as **SMERA B**) on the Rs.8.76 crore bank facilities and short term rating of '**SMERA A4**' (read as **SMERA A four**) on the Rs.1.50 crore bank facilities of Pentagon Labs Limited (PLL). This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower:

SMERA 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 SMERA's policies.

Applicable Criteria

- Default Recognition-<https://www.smera.in/criteria-default.htm>
- Manufacturing Entities - <https://www.smera.in/criteria-manufacturing.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). SMERA endeavoured to gather information about the entity/industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the rated entity

PLL (formerly known as Kabra Labs Limited) is a Madhya Pradesh-based company incorporated by Mr. Jain and family in 1994. The company manufactures intravenous fluids at Dewas (Madhya Pradesh). The overall operations of the company are managed by Mr. M. L. Jain, Mr. Sanjeev Kumar Jain, Mrs. Shobhna Mittal and others members.

For FY2016, PLL reported profit after tax of Rs.2.77 crore on net sales of Rs.87.24 crore as compared to Rs.5.25 crore on net sales of Rs.50.54 crore in the previous year.

Any other information:

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

Rating history (last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
12 May, 2017	Cash Credit	Long Term	7.50	SMERA B /Stable (Reaffirmed)
	Bank Guarantee	Short Term	1.50	SMERA A4 (Assigned)
	Proposed Fund Based Facility	Long Term	1.26	SMERA B /Stable (Reaffirmed)
07 Jul, 2016	Cash Credit	Long Term	4.00	SMERA B /Stable (Upgraded)
	Inland/Foreign Letter of Credit	Short Term	5.00	SMERA A4 (Upgraded)
	Term Loan I	Long Term	1.21	SMERA D (Withdrawn)
	Term Loan II	Long Term	0.05	SMERA D (Withdrawn)
	Proposed Fund Based Facility	Long Term	1.26	SMERA B/Stable (Assigned)
20 May, 2015	Cash Credit	Long Term	4.00	SMERA D (Assigned)
	Inland/Foreign Letter of Credit	Short Term	5.00	SMERA D (Assigned)
	Term Loan I	Long Term	1.21	SMERA D (Assigned)
	Term Loan II	Long Term	0.05	SMERA 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
Cash Credit	Not Applicable	Not Applicable	Not Applicable	7.50	SMERA B Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	1.50	SMERA A4 Issuer not co-operating*
Proposed Fund Based Facility	Not Applicable	Not Applicable	Not Applicable	1.26	SMERA B Issuer not co-operating*

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

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ABOUT SMERA

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