

Press Release

Paras Intermediates Private Limited

May 17, 2017

Rating Update

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|-------------------------------------|---------------------------------------|
| Total Bank Facilities Rated* | Rs. 9.92 Cr. # |
| Long Term Rating | SMERA BB 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 BB**' (read as **SMERA BB**) and short term rating of '**SMERA A4+**' (read as '**SMERA A four plus**') on the Rs. 9.92 crore bank facilities of Paras Intermediates Private Limited. 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>
- Financial Ratios And Adjustments - <https://www.smera.in/criteria-fin-ratios.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

PIPL, established as a partnership concern in 1977 was converted into private limited in 1999. The company is engaged in the manufacture and export of chemicals and derives ~76 per cent of its revenue from export to USA and France. The manufacturing unit of the company is located at Vapi, Gujarat. products are Glycine Pure and Ammonium Thiocyanate. It has manufacturing facilities at G.I.D.C Vapi, Gujarat.

For FY2014-15, PIPL reported net profit of Rs.2.11 crore on operating income of Rs.29.19 crore, as compared with net profit of Rs.2.37 crore on operating income of Rs.28.46 crore in FY2013-14. The company's net worth stood at Rs.15.81 crore as on March 31, 2015, as compared with Rs.13.96 crore a year earlier.

Rating History (Upto last three years)

| Date | Name of Instrument / Facilities | Term | Amount (Rs. Cr.) | Ratings/Outlook |
|-------------|---------------------------------|------------|------------------|-------------------|
| 17-Feb-2016 | Cash Credit | Long Term | INR 3 | SMERA BB / Stable |
| | Term Loan | Long Term | INR 6.25 | SMERA BB / Stable |
| | Bank Guarantee | Short Term | INR 0.5 | SMERA A4+ |
| | Forward Cover Limit | Short Term | INR 0.17 | SMERA A4+ |

#Annexure – Details of instruments rated

| Name of the Facilities | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. Cr.) | Ratings |
|------------------------------------|------------------|----------------|----------------|-----------------------------|---------------------------------------|
| Cash Credit | Not Applicable | Not Applicable | Not Applicable | 3.00 | SMERA BB Issuer not co-operating* |
| Term loans | Not Applicable | Not Applicable | Not Applicable | 6.25 | SMERA BB Issuer not co-operating* |
| Bank guarantee/Letter of Guarantee | Not Applicable | Not Applicable | Not Applicable | 0.50 | SMERA A4+ Issuer not co-operating* |
| Forward Cover limits | Not Applicable | Not Applicable | Not Applicable | 0.17 | SMERA A4+ Issuer not co-operating* |

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

Contacts

| Analytical | Rating Desk |
|--|---|
| Vinayak Nayak Head – Ratings Operations Tel: 022-67141190 vinayak.nayak@smera.in Leena Gupta Analyst - Rating Operations Tel: 022-67141172 leena.gupta@smera.in | Varsha Bist Sr. Executive Tel: 022-67141160 varsha.bist@smera.in |

ABOUT SMERA

SMERA Ratings Limited is a joint initiative of SIDBI, D&B and leading public and private sector banks in India. SMERA is registered with SEBI, accredited by RBI as an External Credit Assessment Institution (ECAI), under BASEL-II norms for undertaking Bank Loan Ratings. SMERA Bond Ratings is a division of SMERA Ratings Limited responsible for ratings of bank facilities, and capital market/money market debt instruments such as Bonds, Debentures, Commercial Papers, Fixed Deposits, Certificate of Deposits etc.. For more details, please visit www.smera.in.

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