

Press Release

Nabha Paper Mills Private Limited (NPMPL)

10 January, 2018



Rating Update

| | |
|--------------------------------------|---------------------------------------|
| Total Bank Facilities Rated* | Rs.11.15 Cr |
| Long Term Rating (Indicative) | SMERA BB- Issuer not co-operating* |

#Refer Annexure for details

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

SMERA has reviewed the long term rating of '**SMERA BB-' (read as SMERA double B minus)** on the above bank facilities of Nabha Paper Mills Private Limited (NPMPL). 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

- Manufacturing Entities: <https://www.smera.in/criteria-manufacturing.htm>
- Default Recognition: <https://www.smera.in/criteria-default.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:

NPM, established in April 1980, is a Sangrur-based company engaged in the the manufacturing of kraft paper and duplex board paper. The company is headed by Mr. B. R Jindal.

For FY2015-16, NPM reported net profit after tax of Rs.1.02 crore on total income of Rs.44.34 crore as against a net profit after tax of Rs.1.01 crore on total income of Rs.39.57 crore a year earlier. The net worth stood at Rs.12.62 crore as on March 31, 2016, as compared with Rs.11.39 crore a year earlier.

SMERA Ratings Limited

Rating History for the last three years:

| Date | Name of Instrument / Facilities | Term | Amount (Rs. Cr.) | Ratings/Outlook |
|-------------------|---------------------------------|-----------|------------------|-----------------------------|
| 28-September-2016 | Term Loan | Long term | 3.65 | SMERA BB-/Stable (Assigned) |
| | Cash Credit | Long term | 7.50 | SMERA BB-/Stable (Assigned) |

Annexure – Details of instruments rated:

| Name of the Facilities | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. Crore) | Ratings |
|------------------------|------------------|-------------|---------------|-------------------------------|-----------------------|
| Term Loan | NA | NA | NA | 3.65 | SMERA BB-(Indicative) |
| Cash Credit | NA | NA | NA | 7.50 | SMERA BB-(Indicative) |

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

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ABOUT SMERA

SMERA Ratings Limited

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Disclaimer: *A SMERA rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. SMERA ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. SMERA ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.smera.in) for the latest information on any instrument rated by SMERA.*

SMERA Ratings Limited

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