

Press Release

Prahlad Flour Mills Private Limited



November 22, 2021

Rating Downgraded and Issuer not co-operating

Product	Net Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	13.69	ACUITE B+ Downgraded Issuer not co-operating*	
Total	13.69	-	-

Rating Rationale

Acuité has downgraded the long-term rating to '**ACUITE B+**' (**read as ACUITE B plus**) from '**ACUITE BB-**' (**read as ACUITE double B minus**) on the Rs. 13.69 crore bank facilities of Prahlad Flour Mills Private Limited (PFPML). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

About the Company

Uttar Pradesh based, PFPML was incorporated in 1988 as a private limited company. However, the operations of the company started in 1990. The company is engaged in milling and processing of agro-based products such as wheat flour, Maida, Sooji. The company procures raw materials from the local grain markets and sells its product PAN India under the brand name 'Royal Khajana' and 'Kamal'. The company has also ventured into the textile industry. Mr. Shalab Gupta, Mr. Deoraj Singh and Mr. Pradeep Kumar Gupta are the directors of the company.

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 the due date.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating continues to be flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.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 endeavored 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.

Liquidity Indicators

"No information provided by the issuer / available for Acuite to comment upon."

Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Status of non-cooperation with previous CRA

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

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
25 Aug 2020	Cash Credit	Long Term	12.25	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	1.43	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Proposed Bank Facility	Long Term	0.01	ACUITE BB- (Downgraded and Issuer not co-operating*)
27 May 2019	Cash Credit	Long Term	12.25	ACUITE BB (Issuer not co-operating*)
	Term Loan	Long Term	1.43	ACUITE BB (Issuer not co-operating*)
	Proposed Bank Facility	Long Term	0.01	ACUITE BB (Issuer not co-operating*)
27 Feb 2018	Cash Credit	Long Term	12.25	ACUITE BB (Issuer not co-operating*)
	Term Loan	Long Term	1.43	ACUITE BB (Issuer not co-operating*)
	Proposed Bank Facility	Long Term	0.01	ACUITE BB (Issuer not co-operating*)
25 Feb 2017	Cash Credit	Long Term	12.25	ACUITE BB Stable (Assigned)
	Term Loan	Long Term	1.43	ACUITE BB Stable (Assigned)
	Proposed Bank Facility	Long Term	0.01	ACUITE BB Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Size Of Issue	Rating
State Bank of India	Cash Credit	Not Applicable	Not Applicable	Not Applicable	12.25	ACUITE B+ Downgraded Issuer not co-operating*
State Bank of India	Term Loan	Not available	Not available	Not available	1.43	ACUITE B+ Downgraded Issuer not co-operating*
Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	0.01	ACUITE B+ Downgraded Issuer not co-operating*

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About Acuité Ratings & Research

Acuité Ratings & Research 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 8,850 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 Kanjurmarg, Mumbai.

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