Press Release

Paras Biotech Private Limited

March 12, 2020

Rating Update

Total Bank Facilities Rated*	Rs. 5.25 Cr. #
Long Term Rating	ACUITE D (Downgraded from ACUITE B-) Issuer not co-operating*

 # Refer Annexure for details
** The issuer did not co-operate; Based on best available information.*

Acuité has downgraded the long term rating to **'ACUITE D' (read as ACUITE D)** from **'ACUITE B-' (read as ACUITE B minus)** and on the Rs. 5.25 crore bank facilities of Paras Biotech Private Limited. The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information available on public domain and delays in servicing of its debt service obligations as confirmed by the banker.

Paras Biotech Private Limited is a Lucknow-based company was incorporated in 2004 by Mr. Paras Nath Dixit and family members. The company is engaged in manufacture of organic, inorganic and bio-fertilizers. The company has a manufacturing plant located near Lucknow with an installed capacity of manufacturing 5000 Metric Tonnes per annum. The company sells its products under the brand name 'PARAS' pan India through dealers and distributors.

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.

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.

Applicable Criteria

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

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 (if applicable)

Not Applicable

Any other information

None

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
06-08-2019	Cash Credit	Long Term	5.25	ACUITE B- (Indicative)
08-05-2018	Cash Credit	Long Term	5.25	ACUITE B- (Indicative)
09-05-2017	Cash Credit	Long Term	5.25	ACUITE B-/(Stable)

#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	5.25	ACUITE D (Downgraded from ACUITE BB) Issuer not co-operating*

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

Contacts

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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 8,000 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.