

Press Release

Pal Enterprises (PE)

August 30, 2018

Rating Updated



Total Bank Facilities Rated*	Rs. 15.00 Cr
Short Term Rating (Indicative)	ACUITE A4 Issuer not co-operating*

* Refer Annexure for details

Rating Rationale

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

Acuité has reviewed the **short term rating of 'ACUITE A4' (read as ACUITE A four)** on the Rs.10.00 crore bank facilities of Pal Enterprises (PE). This rating is now an indicative rating and is based on the best available information.

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.

This rating is therefore being 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-4.htm>
- Application of Financial Ratios & Adjustments <https://www.acuite.in/view-rating-criteria-20.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-17.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

For FY2016-17(Prov.), Pal Enterprises reported net profit of Rs.0.37 crore on total income of Rs.22.51 crore as against a net profit after tax of Rs.0.75 crore on total income of Rs.32.53 crore a year earlier. The net worth of the company stood at Rs.5.68 crore (includes quasi equity of Rs.2.00 crore) as on March 31, 2017(Prov.), as compared with Rs.5.53 crore a year earlier.

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 for the last three years:

Date	Name of the Facilities	Term	Size of the Issue (Rs. Crore)	Ratings/Outlook
June 27, 2017	Packing credit/ PCFC**	ST	7.00	ACUITE A4 (Assigned)
June 27, 2017	FOBNLC/ FOUBNLC**	ST	3.50	ACUITE A4 (Assigned)
June 27, 2017	FOBP/ FOUBP*	ST	(1.50)	ACUITE A4 (Assigned)
June 27, 2017	Foreign Letter of credit	ST	5.00	ACUITE A4 (Assigned)

*Fully interchangeability of Rs. 1.50 crore allowed between FOBP/ FOUBP and FOBNLC/ FOUBNLC

**Total fund based facilities ceiling up to Rs. 10.00 crore.

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Packing credit/ PCFC***	N.A	N.A	N.A	7.00	* ACUITE A4(Indicative)
FOBNLC/ FOUBNLC***	N.A	N.A	N.A	3.50	* ACUITE A4(Indicative)
FOBP/ FOUBP**	N.A	N.A	N.A	(1.50)	* ACUITE A4(Indicative)
Foreign Letter of credit	N.A	N.A	N.A	5.00	* ACUITE A4(Indicative)

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

**Fully interchangeability of Rs. 1.50 crore allowed between FOBP/ FOUBP and FOBNLC/ FOUBNLC

***Total fund based facilities ceiling up to Rs. 10.00 crore.

Contacts

Analytical	Rating Desk
Aditya Gupta Head - Corporate and Infrastructure sector Ratings Operations Tel: 022-67141191 aditya.gupta@acuite.in	Varsha Bist Manager - Rating Desk Tel: 022-67141160 rating.desk@acuite.in
Ayushi Rathore Analyst - Rating Operations Tel: 022-67141336 ayushi.rathore@acuite.ratings.in	

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 6,000 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.

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