

Press Release

Sabarmati Papers Private Limited

May 23, 2019



Rating Update

Total Bank Facilities Rated*	Rs. 19.00 Cr. #
Long Term Rating	ACUITE BB Issuer not co-operating*
Short Term Rating	ACUITE A4+ Issuer not co-operating*

Refer Annexure for details

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

Acuité has reviewed long-term rating of '**ACUITE BB**' (**read as ACUITE double B**) and short term rating of '**ACUITE A4+**' (**read as 'ACUITE A four plus'**) on the Rs. 19.00 crore bank facilities of Sabarmati Papers Private Limited (SPPL). This rating is now an indicative rating and is based on best available information.

SPPL, a Gujarat-based company was incorporated in 1969 by Mr. Mahendrabhai Patel and Mr. Chinmay Patel. The company manufactures paper boards of 250-600 Grams per Square Meter (GSM), used mainly in the packaging industry. The company has expanded its installed capacity to 36000 M.T (Metric Tonnes) per annum from the existing 21000 M.T per annum funded through term loan and unsecured loan from promoters.

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

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.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 endeavoured 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)

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 (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
12-Mar-2018	Cash Credit	Long Term	12.00 (Enhanced from 8.00)	ACUITE BB / Stable (Upgraded & Assigned)
	Term Loan	Long Term	1.03 (repaid/reduced from 1.34)	ACUITE BB / Stable (Upgraded)
	Term Loan	Long Term	2.97 (repaid/reduced from 4.66)	ACUITE BB / Stable (Upgraded)
	Proposed Bank Facility	Long Term	1.73	ACUITE BB / Stable (Assigned)
	Letter of Credit	Short Term	1.27	ACUITE A4+ (Assigned)
17-Jul-2017	Cash Credit	Long Term	8.00	ACUITE BB- / Stable (Assigned)
	Term Loan	Long Term	1.34	ACUITE BB- / Stable (Assigned)
	Term Loan	Long Term	4.66	ACUITE BB- / Stable (Assigned)

#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	12.00	ACUITE BB Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	1.03	ACUITE BB Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	2.97	ACUITE BB Issuer not co-operating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	1.73	ACUITE BB Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	1.27	ACUITE A4+ Issuer not co-operating*

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

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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 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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