

Press Release

Shree Ambica Board Industries

March 24, 2020



Rating Update

Total Bank Facilities Rated*	Rs.9.44 Cr.#
Long Term Rating	ACUITE B- 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.

Rating Rationale

Acuité has reviewed the long-term rating of '**ACUITE B-**' (**read as ACUITE B minus**) and the short term rating of '**ACUITE A4**' (**read as ACUITE A four**) on the Rs. 9.44 cr. bank facilities of Shree Ambica Board Industries (SABI). This rating is now an indicative rating and is based on best available information.

The Gujarat-based SABI, a partnership firm was established in March 2008 by Mr. Haribhai Patel, Mr. Prakashbhai Bhagat, Mr. Sandipbhai Patel and others. From April 2018, there was a change in the leadership of the firm and new partners were appointed. Currently, the firm is promoted by Mr. Pravimbhai Patel, Mr. Ravi H Dholu, Mr. Sarthak Patel and others. The firm commenced operations in the manufacture of decorative veneer plywood from 2010 and has installed capacity of 2000 sheets per day.

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.

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 attempts.

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 (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
11-Jan-2019	Term Loans	Long term	1.60	ACUITE B- / Stable (Upgraded from ACUITE D)
	Cash Credit	Long term	2.00	ACUITE B- / Stable (Upgraded from ACUITE D)
	Letter of credit	Short term	5.00	ACUITE A4 (Upgraded from ACUITE D)
	Proposed	Long term	0.84	ACUITE B-/Stable (Assigned)
30-Dec-2017	Term Loan	Long term	2.44	ACUITE D (Assigned)
	Cash Credit	Long term	2.00	ACUITE D (Assigned)
	Letter of credit	Short term	5.00	ACUITE D (Assigned)

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Term Loans	Not Applicable	Not Applicable	Not Applicable	1.60	ACUITE B- Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE B- Issuer not co-operating*
Letter of credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE A4 Issuer not co-operating*
Proposed	Not Applicable	Not Applicable	Not Applicable	0.84	ACUITE B- 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.

Disclaimer: *An Acuité 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. Acuité 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, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité 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. Acuité 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.acuite.in) for the latest information on any instrument rated by Acuité.*