

Press Release

Paxal Corporation

August 23, 2021

Rating Update



Total Bank Facilities Rated*	Rs.21.00 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.

Acuité has reviewed the long-term rating of '**ACUITE B+**' (read as **ACUITE B plus**) and the short-term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.21.00 crore bank facilities of Paxal Corporation (PC). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

PC, established in 1950 by Mr. Baboothmal Bhandari and family, is a Bangalore based partnership firm. The firm is mainly involved in trading of steel products such as sheets, coils and strips, among others. The firm, led by the second generation entrepreneur, Mr. B. Champalal Bhandari, son of Mr. Baboothmal, caters to multiple small traders and manufacturers in Bangalore and some parts of Tamil Nadu. PC imports stainlesssteel from various suppliers in Malaysia, Spain, Vietnam and China, among others.

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.

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/view-rating-criteria-52.htm>
- Trading Entities- <https://www.acuite.in/view-rating-criteria-61.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 (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
12-June-2020	Cash Credit	Long Term	10.00	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
	Letter of Credit	Short Term	11.00	ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating*
23-Mar-2019	Cash Credit	Long Term	10.00	ACUITE BB- Issuer not co-operating*
	Letter of Credit	Short Term	11.00	ACUITE A4+ Issuer not co-operating*
06-Mar-2018	Cash Credit	Long Term	10.00	ACUITE BB-/Stable (Assigned)
	Letter of Credit	Short Term	11.00	ACUITE A4+ (Assigned)

*Annexure – Details of instruments rated

Lender Name	Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Bank of Maharashtra	Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE B+ Issuer not co-operating*
Bank of Maharashtra	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	11.00	ACUITE A4 Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
Aditya Gupta Vice President – Rating Operations Tel: 022-49294041 aditya.gupta@acuite.in Aditya Singh Analyst - Rating Operations Tel: +91 11 4973 1300 aditya.singh@acuite.in	Varsha Bist Senior Manager – Rating Desk Tel: 022-49294011 rating.desk@acuite.in

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 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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