

Press Release

Shree Krishna Packaging

September 05, 2022



Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	8.00	ACUITE BB- Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	8.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has downgraded its long-term rating of 'ACUITE BB' (read as ACUITE double B) to 'ACUITE BB-' (read as ACUITE double B minus) on the Rs 8.00 Cr. bank facilities of Shree Krishna Packaging. This rating is now an indicative rating and is based on best available information. Rating has been downgraded on account of information risk.

About the Company

Established in 2010, Shree Krishna Packaging (SKP) is a partnership firm engaged in manufacturing of new LPG cylinders. The manufacturing facility is located in Kala Amb, Himachal Pradesh with installed capacity of 6 lakhs cylinders per annum. The firm is promoted by Mr. Surender Jain who looks after the day to day operations and Mr. Manish Jain. The firm caters to reputed oil companies

Non-cooperation by the issuer/borrower

Acuite has been requesting for Financial information and No Default Statement from the rated entity. However, the issuer / borrower failed to submit such information before due date. Acuite 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. This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

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). Acuite endeavoured to gather information about the entity/industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivities

No information provided by the issuer / available for Acuite to comment upon.

Material Covenants

None

Liquidity Position

No information provided by the issuer / available for Acuite to comment upon.

Outlook: Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 21 (Provisional)	FY 20 (Actual)
Operating Income	Rs. Cr.	24.28	11.93
PAT	Rs. Cr.	0.06	0.01
PAT Margin	(%)	0.25	0.06
Total Debt/Tangible Net Worth	Times	1.20	0.94
PBDIT/Interest	Times	1.57	1.68

Status of non-cooperation with previous CRA

None

Any other information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
24 Jun 2021	Cash Credit	Long Term	8.00	ACUITE BB Stable (Upgraded from ACUITE BB-)
28 Sep 2020	Cash Credit	Long Term	8.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
04 Jul 2019	Cash Credit	Long Term	8.00	ACUITE BB (Issuer not co-operating*)
17 May 2018	Cash Credit	Long Term	8.00	ACUITE BB Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Bank of Baroda	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	8.00	ACUITE BB- Downgraded Issuer not co-operating*

Contacts

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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