

Press Release

Palco Recycle Industries Limited

November 22, 2019

Rating Withdrawn



Total Bank Facilities Rated*	Rs. 19.03 Cr.
Long Term Rating	ACUITE B+ (Issuer not-cooperating; Withdrawn)
Short Term Rating	ACUITE A4 (Issuer not-cooperating; Withdrawn)

* Refer Annexure for details

Rating Rationale

Acuite has withdrawn the long-term rating of '**ACUITE B+**' (read as **ACUITE B plus**) and short-term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs. 19.03 crore bank facilities of PALCO RECYCLE INDUSTRIES LIMITED (PRIL).

The rating withdrawal is in line with Acuite's policies on withdrawal of rating and on receipt of withdrawal request from the client and NOC from the lender.

Gujarat based Palco Recycle Industries Limited, incorporated in 2007 is a flagship company of PALCO group. As a part of the group restructuring, the company took over the business of Palco Metals Limited and Palco Recycle Exchange Limited. The company is engaged in the manufacturing of aluminium deoxidant (ingots, notch bar, cubes and shots) and aluminium wire rod. The company has an installed capacity of 17700 MT which is ~ 38 per cent utilised.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.htm>

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)

Not Applicable

Any other information

Acuite 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
10-Jul-2019	Cash Credit	Long Term	15.00	ACUITE B+ (Indicative)
	Term Loan	Long Term	0.12	ACUITE B+ (Indicative)
	Term Loan	Long Term	0.94	ACUITE B+ (Indicative)
	Dropline Overdraft	Long Term	2.47	ACUITE B+ (Indicative)
	Bank Guarantee	Short Term	0.50	ACUITE A4 (Indicative)
27-Jun-2018	Cash Credit	Long Term	15.00	ACUITE B+ /Stable (Assigned)

	Term Loan	Long Term	0.12	ACUITE B+ /Stable (Assigned)
	Term Loan	Long Term	0.94	ACUITE B+ /Stable (Assigned)
	Secured Overdraft	Long Term	2.47	ACUITE B+ /Stable (Assigned)
	Bank Guarantee	Short Term	0.50	ACUITE B+ (Issuer not-cooperating; Withdrawn)

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE B+ (Issuer not-cooperating; Withdrawn)
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.12	ACUITE B+ (Issuer not-cooperating; Withdrawn)
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.94	ACUITE B+ (Issuer not-cooperating; Withdrawn)
Dropline Overdraft	Not Applicable	Not Applicable	Not Applicable	2.47	ACUITE B+ (Issuer not-cooperating; Withdrawn)
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	0.50	ACUITE A4 (Issuer not-cooperating; Withdrawn)

Contacts

Analytical	Rating Desk
Aditya Gupta Head - Corporate and Infrastructure Sector Ratings Tel: 022-49294041 aditya.gupta@acuite.in Grishma Muni Analyst – Rating Operations Tel: 02249294034 grishma.muni@acuite.in	Varsha Bist Manager - Rating Desk Tel: 022-49294011 rating.desk@acuite.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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