

Press Release

Palash Udyog Foods Private Limited

March 28, 2022



Rating Reaffirmed and Issuer not co-operating

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|---------------------------------------|---------------------|---|----------------------|
| Bank Loan Ratings | 15.25 | ACUITE B+ Reaffirmed Issuer not co-operating* | - |
| Total Outstanding Quantum (Rs. Cr) | 15.25 | - | - |
| Total Withdrawn Quantum (Rs. Cr) | 0.00 | - | - |

Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE B+**' (read as **ACUITE B plus**) on the Rs.15.25 crore bank facilities of Palash Udyog Foods Private Limited (PUFPL). The rating continues to be an indicative rating and is based on the best available information.

About the Company

Incorporated in 2002, Palash Udyog Foods Private Limited (PUFPL) is an Odisha-based company promoted by Mr. Palash Kumar Patra. PUFPL is engaged in processing of spices and flour, and packaging of edible oil. The company procures whole spices such as chilli, coriander, jeera and turmeric and processes them through blending and mixing. The spices are sold through 150 dealers and distributors under its own brand name 'Meera' certified by AGMARK. The company has nearly 134 varieties of basic and blended spices. PUFPL procures mustard oil and Palmolein oil from Rajasthan and West Bengal and packages under its own brand 'Meera'. The company has further diversified into process of wheat to produce atta and besan.

Non-cooperation by the issuer/borrower:

Acuite 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.

Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an 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 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.

Rating Sensitivity

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

Material Covenants

Not Applicable

Liquidity Position

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

Outlook

Not Applicable

Status of non-cooperation with previous CRA

Not Applicable

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.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 |
|-------------|--------------------------------|-----------|-----------------|--------------------------------------|
| 29 Dec 2020 | Term Loan | Long Term | 0.22 | ACUITE B+ (Issuer not co-operating*) |
| | Cash Credit | Long Term | 10.00 | ACUITE B+ (Issuer not co-operating*) |
| | Term Loan | Long Term | 4.00 | ACUITE B+ (Issuer not co-operating*) |
| | Proposed Bank Facility | Long Term | 0.70 | ACUITE B+ (Issuer not co-operating*) |

| | | | | |
|-------------|------------------------|-----------|-------|--|
| | Term Loan | Long Term | 0.33 | ACUITE B+ (Issuer not co-operating*) |
| 18 Oct 2019 | Term Loan | Long Term | 0.33 | ACUITE B+ Stable (Downgraded from ACUITE BB- Stable) |
| | Proposed Bank Facility | Long Term | 0.70 | ACUITE A4+ (Issuer not co-operating*) |
| | Cash Credit | Long Term | 10.00 | ACUITE B+ Stable (Downgraded from ACUITE BB- Stable) |
| | Term Loan | Long Term | 0.22 | ACUITE B+ Stable (Downgraded from ACUITE BB- Stable) |
| | Term Loan | Long Term | 4.00 | ACUITE B+ Stable (Downgraded from ACUITE BB- Stable) |
| | Cash Credit | Long Term | 7.75 | ACUITE B+ Stable (Downgraded from ACUITE BB- Stable) |
| | Term Loan | Long Term | 0.75 | ACUITE B+ Stable (Downgraded from ACUITE BB- Stable) |
| 26 Jul 2018 | Cash Credit | Long Term | 6.00 | ACUITE BB- Stable (Assigned) |
| | Term Loan | Long Term | 0.75 | 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 | 10.00 | ACUITE B+ Reaffirmed Issuer not co- operating* |
| Not Applicable | Not Applicable | Proposed Long Term Bank Facility | Not Applicable | Not Applicable | Not Applicable | 0.70 | ACUITE B+ Reaffirmed Issuer not co- operating* |
| Bank of Baroda | Not Applicable | Term Loan | Not available | Not available | Not available | 0.33 | ACUITE B+ Reaffirmed Issuer not co- operating* |
| Bank of Baroda | Not Applicable | Term Loan | Not available | Not available | Not available | 0.22 | ACUITE B+ Reaffirmed Issuer not co- operating* |
| Bank of Baroda | Not Applicable | Term Loan | Not available | Not available | Not available | 4.00 | ACUITE B+ Reaffirmed Issuer not co- operating* |

Contacts

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|---|--|
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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 8,850 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 Kanjurmarg, Mumbai.

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