Press Release
PALASH UDYOG FOODS PRIVATE LIMITED
June 13, 2023
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	-	-

Rating Rationale

Acuité 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:

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.
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.
This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité'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). 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.

Rating Sensitivity

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

Material Covenants

None

Liquidity Position

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

Outlook

Not Applicable

Other Factors affecting Rating

Not Applicable

Key Financials

Particulars	Unit	FY 22 (Actual)	FY 21 (Actual)
Operating Income	Rs. Cr.	52.60	50.22
PAT	Rs. Cr.	0.27	0.21
PAT Margin	(%)	0.52	0.43
Total Debt/Tangible Net Worth	Times	2.40	2.30
PBDIT/Interest	Times	1.64	1.65

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

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite' s categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
28 Mar 2022	Term Loan	Long Term	4.00	ACUITE B+ (Issuer not co-operating*)
	Term Loan	Long Term	0.22	ACUITE B+ (Issuer not co-operating*)
	Proposed Bank Facility	Long Term	0.70	ACUITE B+ (Issuer not co-operating*)
	Cash Credit	Long Term	10.00	ACUITE B+ (Issuer not co-operating*)
	Term Loan	Long Term	0.33	ACUITE B+ (Issuer not co-operating*)
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*)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Bank of Baroda	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	10.00	ACUITE B+ | Reaffirmed | Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	Simple	0.70	ACUITE B+ | Reaffirmed | Issuer not co-operating*
Bank of Baroda	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	0.33	ACUITE B+ | Reaffirmed | Issuer not co-operating*
Bank of Baroda	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	0.22	ACUITE B+ | Reaffirmed | Issuer not co-operating*
Bank of Baroda	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	4.00	ACUITE B+ | Reaffirmed | Issuer not co-operating*

Contacts

Analytical	Rating Desk
Aditya Gupta Vice President-Rating Operations Tel: 022-49294041 aditya.gupta@acuite.in Abhishek Singh Analyst-Rating Operations Tel: 022-49294065 abhishek.s@acuite.in	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuite.in

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.