



Press Release
Akshat Plastics Private Limited
February 28, 2024

Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	7.06	ACUITE BB+ Downgraded Issuer not co-operating*	-
Bank Loan Ratings	47.00	-	ACUITE A4+ Downgraded Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	54.06	-	-

Rating Rationale

Acuite has downgraded the long-term rating from '**ACUITE BBB-**' (read as **ACUITE triple B minus**) to '**ACUITE BB+**' (read as **ACUITE Double B Plus**) and short term rating from '**ACUITE A3**' (read as **ACUITE A three**) to '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs.54.06 crore bank facilities of Akshat Plastics Private Limited (APPL). This rating is now an indicative rating and is based on best available information. The rating has been downgraded on account of information risk.

About the Company

Established as a proprietorship entity by Mr. Brij Mohan Gupta in 1993 and later converted into a private limited company in 2003, Akshat Plastics Private Limited (APPL) is engaged in the trading of various polymers and plastic raw materials viz. PVC resins, ethylene-vinyl acetate (EVA), foam, PVC paste resins, plasticizers, PVC chemicals, plastic granules, etc., which find application in various sectors viz. PVC pipes, textiles, chemicals, leather products, etc. The products dealt by the company are sold entirely in the domestic market across various cities in Delhi, Haryana and Gujarat. On the other hand, the said products are majorly imported from Korea, Taiwan and Thailand. The company operates through its corporate office and six warehousing facilities located in New Delhi, India.

Unsupported Rating

Not Applicable

Non-cooperation by the issuer/borrower

Acuite has been requesting for information critical for rating exercise 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.

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 23 (Actual)	FY 22 (Actual)
Operating Income	Rs. Cr.	244.13	201.80
PAT	Rs. Cr.	(0.03)	7.43
PAT Margin	(%)	(0.01)	3.68
Total Debt/Tangible Net Worth	Times	1.20	0.77
PBDIT/Interest	Times	1.08	9.02

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Banks And Financial Institutions: <https://www.acuite.in/view-rating-criteria-45.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Trading Entitie: <https://www.acuite.in/view-rating-criteria-61.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
02 Dec 2022	Cash Credit	Long Term	5.50	ACUITE BBB- Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	1.56	ACUITE BBB- Stable (Reaffirmed)
	Letter of Credit	Short Term	32.00	ACUITE A3 (Reaffirmed)
	Letter of Credit	Short Term	15.00	ACUITE A3 (Reaffirmed)
07 Sep 2021	Proposed Long Term Bank Facility	Long Term	1.56	ACUITE BBB- Stable (Reaffirmed)
	Cash Credit	Long Term	5.50	ACUITE BBB- Stable (Reaffirmed)
	Letter of Credit	Short Term	15.00	ACUITE A3 (Assigned)
	Letter of Credit	Short Term	32.00	ACUITE A3 (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	5.50	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB-)
State Bank of India	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	32.00	ACUITE A4+ Downgraded Issuer not co-operating* (from ACUITE A3)
CITI Bank	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	15.00	ACUITE A4+ Downgraded Issuer not co-operating* (from ACUITE A3)
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	1.56	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB-)

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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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