

Press Release

Kushal Polysacks Private Limited

October 16, 2020

Rating Update



Total Bank Facilities Rated*	Rs. 72.00 Cr. #
Long Term Rating	ACUITE B+ (Downgraded from ACUITE BB-/ Stable) Issuer not co-operating*
Short Term Rating	ACUITE A4 Issuer not co-operating*

Refer Annexure for details`

* The issuer did not co-operate; Based on best available information.

ACUITE has downgraded the long term rating to '**ACUITE B+**' (read as **ACUITE B plus**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) and reviewed the short term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs 72.00 crore bank facilities of Kushal Polysacks Private Limited (KPPL). This rating is now an indicative rating and is based on the best available information. The rating downgrade is on account of information risk.

KPPL is a Kolkata based company incorporated in 1996, by Mr. Naresh Kumar Agarwalla. Currently, the company is managed by Mr. Naresh Kumar Agarwalla, Mr. Bishnu Kumar Agarwala and Mr. Kushal Agarwal. The company was initially engaged in manufacturing of various types of PP/HDPE products. During 2011, KPPL started operating as a Del Credere Agent of Indian Oil Corporation Limited (IOCL) for Polypropylene granules. The company is engaged in the distribution of these polymer products in West Bengal, Bihar, Jharkhand, Odisha and North-Eastern states. Furthermore, the company has entered into the business of executing dredging projects and undertakes projects mainly from the government of India and the government of Bangladesh.

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 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 Acuité's policies.

Applicable Criteria

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

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 together 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.

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. Crore)	Ratings/Outlook
07-Aug-2019	Cash Credit	Long Term	57.00	ACUITE BB- /Stable (Reaffirmed)
	Bank Guarantee	Short Term	15.00	ACUITE A4 (Reaffirmed)
23-Aug-2018	Cash Credit	Long Term	57.00	ACUITE BB- /Stable (Assigned)
	Bank Guarantee	Short Term	15.00	ACUITE A4 (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	57.00	ACUITE B+ (Downgraded from ACUITE BB-/ Stable) Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE A4 Issuer not co-operating*

*The issuer did not co-operate; Based on best available information.

Contacts

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About Acuite Ratings & Research:

Acuite 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 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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