Press Release

Renuka Plasti Crafts Private Limited
September 04, 2023
Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	30.60	ACUITE BB+ | Downgraded | Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	30.60	-	-

Rating Rationale

Acuité has downgraded the long-term rating to **'ACUITE BB+ (read as ACUITE double B plus)'** from **ACUITE BBB (Read as ACUITE Triple B)** on the Rs.30.60 Cr bank facilities of **Renuka Plasti Crafts Private Limited (RPCPL) .** This rating is now flagged as issuer not cooperating and is based on best available information. The rating has been downgraded on account of information risk.

About the Company

Hyderabad (Telangana) – based, RPPL was incorporated in the year 1999. The company is promoted by Mr. Anugu Dayanand Reddy, Mrs. Pingali Renuka Reddy, Mr. Varun Reddy Anugu and Mrs. Anugu Manali. The company is engaged in manufacturing of precision injection moulded components like stand-up caps, conical caps, flip top caps and shoulders, among others. The company also assembles plastic moulded components manually or using automatic machines for making pumps which are used in lotion bottles, hand sanitizer bottles, etc., using multi-cavity high precision fully / semi hot runner injection moulds.

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 noncooperation 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.

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 Sensitivities

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

All Covenants

Not Applicable

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 22 (Actual)	FY 21 (Actual)
Operating Income	Rs. Cr.	84.35	75.44
PAT	Rs. Cr.	7.70	5.53
PAT Margin	(%)	9.13	7.33
Total Debt/Tangible Net Worth	Times	0.55	0.69
PBDIT/Interest	Times	8.67	9.80

Status of non-cooperation with previous CRA

Not Applicable

Any other information

Acuite is yet to receive the latest No Default Statement from the rated entity, despite repeated requests and followups.

Applicable Criteria

• Application Of Financial Ratios And Adjustments: https://www.acuite.in/view-rating-criteria-53.htm
• Default Recognition: https://www.acuite.in/view-rating-criteria-52.htm
• Manufacturing Entities: https://www.acuite.in/view-rating-criteria-59.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
06 Jun 2022	Secured Overdraft	Long Term	1.66	ACUITE BBB | Stable (Upgraded from ACUITE BBB- | Stable)
	Working Capital Term Loan	Long Term	1.72	ACUITE BBB | Stable (Upgraded from ACUITE BBB- | Stable)
	Term Loan	Long Term	1.37	ACUITE BBB | Stable (Upgraded from ACUITE BBB- | Stable)
	Working Capital Term Loan	Long Term	0.05	ACUITE BBB | Stable (Upgraded from ACUITE BBB- | Stable)
	Term Loan	Long Term	4.51	ACUITE BBB | Stable (Upgraded from ACUITE BBB- | Stable)
	Term Loan	Long Term	1.60	ACUITE BBB | Stable (Upgraded from ACUITE BBB- | Stable)
	Proposed Bank Facility	Long Term	4.69	ACUITE BBB | Stable (Upgraded from ACUITE BBB- | Stable)
	Cash Credit	Long Term	15.00	ACUITE BBB | Stable (Upgraded from ACUITE BBB- | Stable)
10 Mar 2021	Working Capital Term Loan	Long Term	1.30	ACUITE BBB- | Stable (Assigned)
	Proposed Bank Facility	Long Term	9.00	ACUITE BBB- | Stable (Upgraded from ACUITE BB+)
	Proposed Long Term Loan	Long Term	1.00	ACUITE BBB- | Stable (Upgraded from ACUITE BB+)
	Proposed Long Term Loan	Long Term	7.20	ACUITE BBB- | Stable (Assigned)
	Term Loan	Long Term	4.60	ACUITE BBB- | Stable (Upgraded from ACUITE BB+)
	Term Loan	Long Term	3.50	ACUITE BBB- | Stable (Assigned)
	Proposed Term Loan	Long Term	4.00	ACUITE BBB- | Stable (Upgraded from ACUITE BB+)
10 Jun 2020	Working Capital Term Loan	Long Term	6.00	ACUITE BB+ (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	4.60	ACUITE BB+ (Downgraded and Issuer not co-operating*)
	Proposed Term Loan	Long Term	4.00	ACUITE BB+ (Downgraded and Issuer not co-operating*)
	Proposed Long Term Loan	Long Term	1.00	ACUITE BB+ (Downgraded and 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
CITI Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	15.00	ACUITE BB+ | Downgraded | Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	Simple	4.69	ACUITE BB+ | Downgraded | Issuer not co-operating*
HDFC Bank Ltd	Not Applicable	Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	Simple	1.66	ACUITE BB+ | Downgraded | Issuer not co-operating*
Small Industries Development Bank of India	Not Applicable	Term Loan	26 Jun 2018	Not available	31 May 2023	Simple	1.37	ACUITE BB+ | Downgraded | Issuer not co-operating*
Small Industries Development Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	4.51	ACUITE BB+ | Downgraded | Issuer not co-operating*
Small Industries Development Bank of India	Not Applicable	Term Loan	07 May 2019	Not available	10 Apr 2024	Simple	1.60	ACUITE BB+ | Downgraded | Issuer not co-operating*
Small Industries Development Bank of India	Not Applicable	Working Capital Term Loan	10 Jun 2020	Not available	26 May 2023	Simple	0.05	ACUITE BB+ | Downgraded | Issuer not co-operating*
Small Industries Development Bank of India	Not Applicable	Working Capital Term Loan	Not available	Not available	Not available	Simple	1.72	ACUITE BB+ | Downgraded | Issuer not co-operating*

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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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