

Press Release

Avon Containers Private Limited

December 30, 2019

Rating Update



Total Bank Facilities Rated*	Rs. 31.50 Cr. #
Long Term Rating	ACUITE BB- Downgraded; Issuer not co-operating*
Short Term Rating	ACUITE A4 Downgraded; 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 BB-” (read as ACUITE double B minus)** from **“ACUITE BB” (read as ACUITE double B)** and the short term rating to **“ACUITE A4”(read as ACUITE A four)** from **“ACUITE A4+”(read as ACUITE A four plus)** on the Rs.31.50 crore bank facilities of Avon Containers Private Limited. This rating is now an indicative rating and is based on best available information.

ACPL is a Haryana based company incorporated in 1991 by Mr. Umesh Aggarwal and Mr. Gaurav Aggarwal. The company is primarily engaged in manufacturing of corrugated boxes mainly catering to the automobile, electronic goods company and also solar panels manufacturing companies. The company procures its main raw material i.e. kraft paper from New Zealand and domestic suppliers located in Gujarat and Uttar Pradesh. The company has four manufacturing units located in Haryana with combined installed capacity of 7,000 Metric tonnes per annum.

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 due date.

This rating is therefore being flagged as “Issuer not-cooperating”, in line with prevailing SEBI regulations and Acuite’s policies.

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.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.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). Acuite endeavored 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.

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 (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
17-Oct-2018	Cash Credit	Long Term	11.00	ACUITE BB/ Stable (Assigned)
	Term Loan	Long Term	0.17	ACUITE BB/ Stable (Assigned)
	Term Loan	Long Term	5.94	ACUITE BB/ Stable (Assigned)
	Term Loan	Long Term	8.35	ACUITE BB/ Stable (Assigned)
	Letter of Credit	Short Term	1.00	ACUITE A4+ (Assigned)
	Proposed Cash Credit	Long Term	5.04	ACUITE BB/ Stable (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	11.00	ACUITE BB-Downgraded; Issuer Not Cooperating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.17	ACUITE BB-Downgraded; Issuer Not Cooperating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	5.94	ACUITE BB-Downgraded; Issuer Not Cooperating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	8.35	ACUITE BB-Downgraded; Issuer Not Cooperating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE A4 Downgraded; Issuer Not Cooperating*
Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.04	ACUITE BB-Downgraded; Issuer Not Cooperating*

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

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (Erstwhile SMERA Ratings 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.

Disclaimer: *An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuité ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuité ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité.*