

## Press Release

### Prakash Corrugated Products

May 12, 2020

#### Rating Update



<b>Total Bank Facilities Rated#</b>	Rs.31.00 Cr.#
<b>Long Term Rating</b>	ACUITE B Issuer not co-operating*
<b>Short Term Rating</b>	ACUITE A4 Issuer not co-operating*

#Refer Annexure for details

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

#### Rating Rationale

Acuité has reviewed its long term rating of '**ACUITE B**' (read as **ACUITE B**) and short term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.31.00 crore bank facilities of Prakash Corrugated Products (PCP). This rating is now an indicative rating and is based on best available information.

Prakash Corrugated Products (PCP) was incorporated in the year 2001. It is a proprietorship concern managed by Mr. Rakesh Agarwal which is associated with various large companies for manufacturing sturdy and economical packing material viz. Corrugated fiber CFB Boxes, and other material for packaging their products. The manufacturing facility of PCP with an 88" Corrugating Machine gives the capability of manufacturing large size boxes along with the 72" 5 Ply Automatic Corrugation Machine.

**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 due date.

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

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.

#### Applicable Criteria

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

#### About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

#### Status of non-cooperation with previous CRA (if applicable)

CARE, vide its press release dated 18 Jan, 2019 has denoted the rating of PCP as CARE D; ISSUER NOT COOPERATING' on account of lack of adequate information required for monitoring of ratings.

#### Any other information

Acuité 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. Cr)	Ratings/Outlook
01-Mar-2019	Cash Credit	Long Term	16.00	ACUITE B / Stable (Assigned)
	Term Loan	Long Term	13.00	ACUITE B/ Stable (Assigned)
	Proposed Bank Facility	Short Term	2.00	ACUITE A4 (Assigned)

### #Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	16.00	ACUITE B Issuer not co-operating
Term Loan	Not Available	Not Applicable	Not Available	13.00	ACUITE B Issuer not co-operating
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4 Issuer not co-operating

### Contacts

Analytical	Rating Desk
Aditya Gupta Head- Corporate and Infrastructure Sector Tel: 022-49294041 <a href="mailto:aditya.gupta@acuite.in">aditya.gupta@acuite.in</a>  Nitul Dutta Analyst - Rating Operations Tel: 022-49294053 <a href="mailto:nitul.dutta@acuite.in">nitul.dutta@acuite.in</a>	Varsha Bist Manager - Rating Desk Tel: 022-49294022 <a href="mailto:rating.desk@acuite.in">rating.desk@acuite.in</a>

### 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](http://www.acuite.in)) for the latest information on any instrument rated by Acuité.