

Rating Rationale

21 Dec 2020

ACP Industries Limited

Brickwork Ratings reaffirms the rating for the Bank Loan Facility of Rs. 8.50 Crores of ACP Industries Limited based on best available information, as the company did not cooperate.

Particulars

Facility**	Amount (Rs. Crs.)		Tenure	Rating#	
	Previous	Present		Previous	Present
Fund Based					
Cash Credit	8.50	8.50	Long Term	BWR C ISSUER NOT COOPERATING*	BWR C ISSUER NOT COOPERATING* Reaffirmed
Total	8.50	8.50	Rupees Eight Crores and Fifty Lakhs Only		

*Issuer did not cooperate; based on best available information; # Please refer to BWR website www.brickworkratings.com/ for definition of the ratings; **Details of rated Bank facilities are provided in Annexure-I.

Rating Action/Nature of Non Cooperation

The rating was migrated to the ISSUER NOT COOPERATING* category on 27Mar2018 due to management non-cooperation in sharing of essential information required for rating review. Brickwork Ratings (BWR) has taken up with the company through emails and telephone calls to provide financial and operational information for the periodic monitoring and surveillance of the ratings. Despite the best efforts of BWR to get at least the minimum required information for a review, the company continues to be non cooperative. The company has also been non-cooperative in submission of monthly NDS. Due to the continued lack of management cooperation and in the absence of adequate information from the company, BWR is unable to assess the company's performance and its ability to service its debt and maintain a valid rating. Hence, based on extant regulatory guidelines, continued non cooperation by the company and the best available information, Brickwork Ratings has reaffirmed the rating at BWR C and continued in the ISSUER NOT COOPERATING* category.

**Issuer did not cooperate; based on best available information*

Limitations of the Rating

Information availability risk is a key factor in the assessment of credit risk as generally non-cooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress. Users of the credit rating should therefore take into account the possible deterioration in the credit quality of the rated entity arising from its non-transparency and withholding of information required for a review of the rating.

Company Profile (as per information available in July 2015)

ACP Industries Limited was incorporated in September 1995, at Eluru, West Godavari, Andhra Pradesh, with registered office at Basheerbagh, Hyderabad, Telangana. The company is engaged in manufacturing incense sticks and trading of agro commodities.

Key Financial Indicators

The company has not provided any financial information to BWR for the previous five years.

Status of non-cooperation with previous CRA - Nil

Rating History For The Previous Three Years [including withdrawal and suspended]

Facilities	Current Rating (December 2020)			Rating History				
	Tenure	Amount (Rs. Crs.)	Rating	2019	28Sep2018	27Mar2018	2017	
Fund Based								
Cash Credit	Long Term	8.50	BWR C ISSUER NOT COOPERATING*	Not Rated	BWR C ISSUER NOT COOPERATING*	BWR B- ISSUER NOT COOPERATING* /Stable	Not Rated	
Total		8.50	Rupees Eight Crores and Fifty Lakhs Only					

*Issuer did not cooperate; based on best available information.

Note: BWR assigned initial ratings of BWR B/Stable for Rs. 8.50 Crs. of bank loan facilities on 14Jul2015. Rated amount for 27Mar2018 and 28Sep2018 was Rs. 8.50 Crs.

Complexity levels of the instruments

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

• General Criteria	• Manufacturing Companies
• Approach to Financial Ratios	• What Constitutes Non-cooperation
• Trading Entities	

Analytical Contacts	
Swarn Saurabh Ratings Analyst Board: +91 80 4040 9940 Ext: 332 swarn.s@brickworkratings.com	Saakshi Kanwar Manager – Ratings Board: +91 80 4040 9940 saakshi.k@brickworkratings.com
1-860-425-2742	I media@brickworkratings.com

ANNEXURE I

ACP Industries Limited

Details of Bank Facilities rated by BWR

Sl. No.	Type of Facility	Long Term [Rs. Crs.]	Short Term [Rs. Crs.]	Total [Rs. Crs.]
1	Cash Credit	8.50	-	8.50
TOTAL - Rupees Eight Crores and Fifty Lakhs Only				8.50

Note: As per information available in July 2015.



For print and digital media: The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

About Brickwork Ratings: Brickwork Ratings (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by Reserve Bank of India [RBI], offers credit ratings of Bank Loan, Nonconvertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has rated over 11,400 medium and large corporates and financial institutions' instruments. BWR has also rated NGOs, Educational Institutions, Hospitals, Real Estate Developers, Urban Local Bodies and Municipal Corporations. BWR has Canara Bank, a leading public sector bank, as one of the promoters and strategic partner. BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations.

DISCLAIMER: Brickwork Ratings India Pvt. Ltd. (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by the Reserve Bank of India [RBI], offers credit ratings of Bank Loan facilities, Non-convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. [hereafter referred to as "Instruments"]. BWR also rates NGOs, Educational Institutions, Hospitals, Real Estate Developers, Urban Local Bodies and Municipal Corporations.

BWR wishes to inform all persons who may come across Rating Rationales and Rating Reports provided by BWR that the ratings assigned by BWR are based on information obtained from the issuer of the instrument and other reliable sources, which in BWR's best judgement are considered reliable. The Rating Rationale / Rating Report & other rating communications are intended for the jurisdiction of India only. The reports should not be the sole or primary basis for any investment decision within the meaning of any law or regulation (including the laws and regulations applicable in Europe and also the USA).

BWR also wishes to inform that access or use of the said documents does not create a client relationship between the user and BWR.

The ratings assigned by BWR are only an expression of BWR's opinion on the entity / instrument and should not in any manner be construed as being a recommendation to either, purchase, hold or sell the instrument.

BWR also wishes to abundantly clarify that these ratings are not to be considered as an investment advice in any jurisdiction nor are they to be used as a basis for or as an alternative to independent financial advice and judgement obtained from the user's financial advisors. BWR shall not be liable to any losses incurred by the users of these Rating Rationales, Rating Reports or its contents. BWR reserves the right to vary, modify, suspend or withdraw the ratings at any time without assigning reasons for the same.

BWR's ratings reflect BWR's opinion on the day the ratings are published and are not reflective of factual circumstances that may have arisen on a later date. BWR is not obliged to update its opinion based on any public notification, in any form or format although BWR may disseminate its opinion and analysis when deemed fit.

Neither BWR nor its affiliates, third party providers, as well as the directors, officers, shareholders, employees or agents (collectively, "BWR Party") guarantee the accuracy, completeness or adequacy of the Ratings, and no BWR Party shall have any liability for any errors, omissions, or interruptions therein, regardless of the cause, or for the results obtained from the use of any part of the Rating Rationales or Rating Reports. Each BWR Party disclaims all express or implied warranties, including, but not limited to, any warranties of merchantability, suitability or fitness for a particular purpose or use. In no event shall any BWR Party be liable to any one for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of any part of the Rating Rationales and/or Rating Reports even if advised of the possibility of such damages.



However, BWR or its associates may have other commercial transactions with the company/entity. BWR and its affiliates do not act as a fiduciary.

BWR keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of the respective activity. As a result, certain business units of BWR may have information that is not available to other BWR business units. BWR has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

BWR clarifies that it may have been paid a fee by the issuers or underwriters of the instruments, facilities, securities etc., or from obligors. BWR's public ratings and analysis are made available on its web site, www.brickworkratings.com. More detailed information may be provided for a fee. BWR's rating criteria are also generally made available without charge on BWR's website.

This disclaimer forms an integral part of the Ratings Rationales / Rating Reports or other press releases, advisories, communications issued by BWR and circulation of the ratings without this disclaimer is prohibited.

BWR is bound by the Code of Conduct for Credit Rating Agencies issued by the Securities and Exchange Board of India and is governed by the applicable regulations issued by the Securities and Exchange Board of India as amended from time to time.