



## Rating Rationale

Akshat Papers Ltd

8 Jun 2018

Brickwork Ratings has reviewed the Rating for the Bank Loan facilities of ₹ 26.25 Crore of Akshat Papers Ltd based on best available information, as the issuer did not cooperate. Accordingly the rating for the said instrument is reaffirmed as under

### Particulars

Facility	Amount (₹ Cr)		Tenure	Rating*	
	Previous	Present		Previous (Oct, 2016)	Present
Fund based	19.25	19.25	Long Term	BWR BB+ (Pronounced as BWR Double B Plus) Outlook: Stable	Issuer did not Co-operate# BWR BB+ (Pronounced as BWR Double B Plus) Outlook : Stable [Reaffirmed]
Non Fund Based	7.00	7.00	Long Term	BWR A4 (Pronounced as BWR A Four)	Issuer did not Co-operate# BWR A4 (Pronounced as BWR A Four) [Reaffirmed]
Total	26.25	26.25	₹ Twenty Six Crores and Twenty Five Lakhs Only		

\*Please refer to BWR website [www.brickworkratings.com/](http://www.brickworkratings.com/) for definition of the ratings  
Issuer did not co-operate; based on best available information

### Ratings: Reaffirmed

#### Nature of Non-co-operation:

The rating was due for a review in Oct 2018. BWR took up with the issuer to provide required information over emails dated 16.02.2018, 08.03.2018, 22.03.2018 and through telephone calls. The matter was taken up to the Banker. Despite the best efforts of BWR to get at least the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the issuer/Company, BWR is unable to assess the Company's financial performance and its ability to service its debt and maintain a valid rating.

#### Limitations of the rating:

Information availability risk is a key factor in the assessment of credit risk as generally, noncooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress.



## About the Company (Information as available in Oct, 2016)

### Background

Akshat Papers Limited is a Surat, Gujarat based company. The company was incorporated in 1996 and has been operational since 1998. It has a production plant in Bardoli, near Surat (Gujarat) and is engaged in manufacturing of kraft paper. APL, promoted by Mr. Suresh Singhal and his son Mr. Akshat Singhal.

### Management Details

Mr. Suresh Singhal is the Director of the Company with 30 years of experience; he is managing the affairs of the Company since inception. Mr. Akshat Singhal the other Director looks after the marketing and day to day management of the plant.

### Company's Financial Performance: (Information as available in Oct 2016)

Key Financial Figures			
Particulars	Unit	FY15 (Audited)	FY16 (Provisional)
Operating Income	Rs. Crores	97.26	99.68
EBITDA	Rs. Crores	7.41	7.66
PAT	Rs. Crores	0.68	1.30
Tangible Networkth	Rs. Crores	19.76	21.04
Total Debt : Equity	Times	2.05	1.88
Current Ratio	Times	1.11	1.52

### Rating History for the last three years (including withdrawn/suspended ratings)

S.No	Instrument /Facility	Current Rating (2018)			Rating History		
		Type	Amount (₹ Cr)	Rating^	2017	04,Oct, 2016	2015
	<b>Fund Based</b>	Long Term	19.25	<b>Issuer did not Co-operate; BWR BB+</b> (Pronounced as BWR double B Plus) Outlook : Stable [Reaffirmed])	--	<b>BWR BB+</b> (Pronounced as BWR double B Plus) Outlook : Stable	--
	<b>Non Fund Based</b>	Short Term	7.00	<b>Issuer did not Co-operate; BWR A4</b> (Pronounced as BWR A Four) [Reaffirmed]	--	<b>BWR A4</b> (Pronounced as BWR A Four)	--
	<b>Total</b>		<b>26.25</b>	<b>₹ Twenty Six Crores and Twenty Five Lakhs Only</b>			



^Issuer did not co-operate; based on best available information

## Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [What Constitutes Non-Cooperation](#)

For any other criteria obtain [hyperlinks](#) from website

Analytical Contacts	Media
<i>Sushil Kumar Chitkara</i> <i>DGM-Ratings</i>	<a href="mailto:media@brickworkratings.com">media@brickworkratings.com</a>
<a href="mailto:analyst@brickworkratings.com">analyst@brickworkratings.com</a>	Relationship Contact
	<a href="mailto:bd@brickworkratings.com">bd@brickworkratings.com</a>
<b>Phone: 1-860-425-2742</b>	

### 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.

### Note on complexity levels of the rated instrument:

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at [www.brickworkratings.com/download/ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf) Investors queries can be sent to [info@brickworkratings.com](mailto:info@brickworkratings.com).

## About Brickwork Ratings

Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, has also been accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a Nationalized Bank, as its promoter and strategic partner.

BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Guwahati, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 10,00,000 Cr. In addition, BWR has rated over 6300 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹24,440 Cr have been rated.



**DISCLAIMER**

Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented “as is” without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.