



Rating Rationale

Akula Boards Private Limited

30 Jul 2019

Brickwork Ratings has reviewed the Rating for the Bank Loan facilities of ₹ 14.00 Crore of Akula Boards Private Limited based on best available information, as the issuer did not cooperate. Accordingly the rating for the said instrument is as under

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating*	
	Previous	Present [^]		Previous (Mar, 2017)	Present
Fund based Cash Credit	11.00	11.00	Long Term	BWR B+ (Pronounced as BWR Single B Plus) Outlook: Stable	Issuer did not Co-operate; BWR B+ (Pronounced as BWR Single B Plus) (Outlook: Stable) (Reaffirmed)
Stand by Line of Credit (SLC)	1.00	1.00	Short Term	BWR A4 (Pronounced as BWR A Four)	Issuer did not Co-operate; BWR A4 (Pronounced as BWR A Four) (Reaffirmed)
Non Fund Based Letter of Credit	2.00	2.00			
Total	14.00	14.00	₹ Fourteen Crores Only		

*Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

Issuer did not co-operate; based on best available information; Moved to Rating Not reviewed on 7.Aug.2018

Note: ^ as per last known information

Ratings:Reaffirmed

Nature of Non-co-operation: The rating was due for a review in March 2018. BWR took up with the issuer to provide required information over emails and through telephone calls. 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 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 March, 2017)

M/s Akula Boards Private Limited was established in the year 1998 at Tanuku, Andhra Pradesh. The Company is engaged in manufacturing of writing & news printing paper using waste paper as raw material. The Company is managed by Couple Mr. Akula G V V Naga Satyanarayana (Managing Director) and Mrs. Akula Vani Kumari. Both directors of the Company have more than 15 years of experience in paper industry. The installed capacity of the company is 45 MT per day with ~90% utilization. Major customers of Company are from Orissa, West Bengal and surrounding regions of Tanuku. Company procures waste paper from Hyderabad and other raw materials from local markets of Tanuku. The Company is working in three shifts with ~ 250 employees. M/s Akula Enterprises Pvt Ltd and M/s Raviraj Enterprises Pvt Ltd are group associates of the Company.

Rating History for the last three years

S.No	Facility	Current Rating			Rating History		
		Type	Amount (₹ Cr)	Rating^	7.8.2018	22.3.2017	2016
1	Fund Based	Long Term	11.00	Issuer did not Co-operate; BWR B+ (Pronounced as BWR Single B Plus) (Outlook: Stable) (Reaffirmed)	Rating Not Reviewed	BWR B+ (Pronounced as BWR Single B Plus) Outlook: Stable	-
2	Fund Based	Short Term	1.00	Issuer did not Co-operate; BWR A4 (Pronounced as BWR A Four) (Reaffirmed)		BWR A4 (Pronounced as BWR A Four)	
3	Non Fund Based		2.00				
	Total		14.00	₹ Fourteen Crores Only			

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

Status of non-cooperation with previous CRA- Nil;

Any other information - Nil

Hyperlink/Reference to applicable Criteria

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

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

Akula Boards Private Limited
Annexure I

Particulars	Units	2015	2016
Net Sales/Revenues	₹ Cr	35.66	40.99
EBIDTA	₹ Cr	2.83	2.98
PAT	₹ Cr	0.20	0.18
Tangible Networth	₹ Cr	8.93	9.11
Total Debt : TNW	Times	2.20	2.08
Current Ratio	Times	0.75	0.79

Note: As per the information available with BWR

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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 Investors queries can be sent to info@brickworkratings.com.

About Brickwork Ratings

Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, 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 leading public sector 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, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations.

DISCLAIMER

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