

RATING RATIONALE

19-May-2020

Ascan Plyboard (India) Pvt. Ltd.

Brickwork Ratings Downgrades the ratings for the Bank Loan Facilities aggregating Rs. 24.00 Crs. of Ascan Plyboard (India) Pvt. Ltd. based on best available information, as the issuer did not cooperate.

Facilities*	Amount (Rs.Crs)		Tenure	Rating#	
	Previous	Present		Previous (Oct, 2018)^	Present
Fund based	15.00	15.00	Long Term	BWR BBB- (Stable)	BWR C Downgraded Issuer Not Cooperating**
Non Fund Based	9.00	9.00	Short Term	BWR A3	BWR A4 Downgraded Issuer Not Cooperating**
Total	24.00	24.00	Rs Twenty Four Crores Only		

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

^Ratings migrated to RNR category on 9 Oct 2019

*Details of Bank facilities are provided in Annexure-I

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

RATING ACTION / OUTLOOK

Brickwork Ratings has downgraded the rating for the long term bank loan facilities of Rs.15.00 Crs of Ascan Plyboard (India) Pvt. Ltd. from BWR BBB-, Stable to **BWR C**, and has downgraded the rating for their short term bank loan facilities of Rs. 9.00 crs from BWR A3 to **BWR A4** (aggregate amount Rs.24.00 crores) along with simultaneous migration of the ratings to “**Issuer Not Cooperating**” category based on best available information, as the Issuer did not cooperate.

NATURE OF NON-COOPERATION

The rating was due for a review in Oct 2019. BWR took up with the company and their banker to provide the 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 for a review from the Company, BWR is unable to assess its financial performance, or its ability to service its debt and maintain a

valid rating. Accordingly, the rating is placed under “Issuer Not Cooperating” category. The rating Downgrade is based on the lack of up to date feedback and information from the Company, as well as feedback received from the banker advising that there have been occasional instances of irregularities in the account over the last twelve months, and even as of now, the account is irregular..

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. 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 the information required for a review of the rating.

KEY FINANCIAL INDICATORS [AS AVAILABLE WITH BWR in Oct 2018]

Key Financial Indicators	Units	FY 17	FY 16
Result Type		Audited	Audited
Net Sales/Revenues	In ₹ Crs	121.20	107.28
EBITDA	In ₹ Crs	2.80	3.02
PAT	In ₹ Crs	0.87	1.09
Tangible Net worth	In ₹ Crs	23.06	22.19
Total Debt/Tangible Net worth	Times	0.85	0.66
Current Ratio	Times	1.38	1.40

COMPANY PROFILE(Information as available in Oct 2018)

Ascan Plyboard (India) Pvt Ltd (APIPL). was incorporated in 2005 as Prakash Ply Exim Pvt Ltd. In February 2017, the company’s name changed to Ascan Plyboard (India) Pvt Ltd. APIPL is engaged in trading of plywood, timber, veneer & blockboard. It has its registered office located at Kolkata, West Bengal. The company has a well diversified network and long standing association with dealers and customers. APIPL is geographically diversified and sells its products pan India. It has one associate concern viz. Prakash Ply Centre Pvt Ltd which is also engaged in trading of plywood since 1993. Mr. Satya Prakash Pandey and Mr. Ram Prakash Pandey are the directors of the company.

NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY (IF ANY)- NA

RATING HISTORY FOR THE PREVIOUS THREE YEARS (including withdrawal and suspended)

S. No	Name of Instrument	Current Rating(13-05-2020)			Chronology of Rating History for the past 3 years along with outlook/watch, if applicable											
		Type	Amount Outstanding (Rs. in Crs.)	Rating	Date(s) & rating(s) assigned in year 2019	Date(s) & rating(s) assigned in year 2018	Date(s) & rating(s) assigned in year 2017									
1.	Bank Loan Facility	Fund Based	15.00	BWR C (Downgraded) Issuer Not Cooperating*	---	08.10.18	16.08.17									
		Non Fund Based	9.00	BWR A4, Downgraded, Issuer Not Cooperating*		<table border="1"> <tr> <td>FB</td> <td>15.00</td> <td>BWR BBB- (Stable)</td> </tr> <tr> <td>NFB</td> <td>9.00</td> <td>BWR A3</td> </tr> </table> Reaffirmed	FB	15.00	BWR BBB- (Stable)	NFB	9.00	BWR A3	<table border="1"> <tr> <td>FB</td> <td>15.00</td> <td>BWR BBB- (Stable)</td> </tr> <tr> <td>NFB</td> <td>9.00</td> <td>BWR A3</td> </tr> </table> Reaffirmed, with increase in amount rated	FB	15.00	BWR BBB- (Stable)
FB	15.00	BWR BBB- (Stable)														
NFB	9.00	BWR A3														
FB	15.00	BWR BBB- (Stable)														
NFB	9.00	BWR A3														
Total			24.00		INR Twenty Four Crores Only											

*Issuer did not cooperate, based on best available information

COMPLEXITY LEVELS OF THE INSTRUMENTS

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

Hyperlink/Reference to applicable Criteria

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

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ANNEXURE I

Ascan Plyboard (India) Pvt Ltd.

Details of Bank Loan Facilities rated by BWR

Sl.No.	Name of the Bank	Type of Facilities	Long Term [Rs. Crs]	Short Term [Rs. Crs]	Total [Rs. Crs,]
1.	State Bank Of India	Cash Credit	15.00	-	15.00
		Letter Of Credit	-	9.00	9.00
TOTAL Rupees Twenty Four Crores only					24.00

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 Private limited (BWR), a SEBI registered Credit Rating Agency, accredited by RBI and empanelled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empanelled 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: Brickwork Ratings Private Limited (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