

Rating Rationale

Ashoka Kraft Paper Mills LLP

20 Apr 2018

Brickwork Ratings has reviewed the Ratings assigned to the bank loan facilities of Rs. 33.15 Crs of Ashoka Kraft Paper Mills LLP ('AKPM' or the Firm) based on best available information, as the issuer did not cooperate. Accordingly the rating for the said instrument is revised to BWR BB- (Outlook - Negative)/A4; ISSUER NOT COOPERATING*

Particulars

Facility#	Amount (Rs. Crs)		Tenure	Rating ##	
	Previous	Present		Previous (Dec 2016)	Present
<u>Fund Based</u> CC Term Loan	12.00 19.65	12.00 19.65	Long Term	BWR BB+ (Pronounced BWR Double B Plus) (Outlook: Stable)	BWR BB- (Outlook - Negative) (Pronounced BWR Double B Minus) ISSUER NOT COOPERATING*
<u>Non Fund Based</u> BG	1.50	1.50	Short Term	BWR A4+ (Pronounced BWR A Four Plus)	BWR A4 (Pronounced BWR A Four) ISSUER NOT COOPERATING*
Total	33.15	33.15 (INR Thirty Three Crores and Fifteen Lakhs Only)			

Annexure 1 provides details of bank loan facilities

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

* Issuer did not cooperate; based on best available information

Ratings Downgraded

Nature of Non-cooperation:

The rating was due for a review in December 2017. BWR took up with the issuer to provide required information over emails and through telephonic communication. Despite the best efforts of BWR to get at least the minimum required information for a review, the Firm has not provided the same. In the absence of adequate information from the Firm, BWR is unable to assess the financial performance and its ability to service its debt and maintain a valid rating. Hence, on account of inadequate information and lack of management cooperation, Brickwork Ratings has revised the ratings to BWR BB- (Outlook- Negative)/ A4; ISSUER NOT COOPERATING*

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

is also accompanied by financial stress. Users of the credit rating should therefore take into account the 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.

About the Company

Established in 2013, Ashoka Kraft Paper Mills LLP is a Partnership Firm based out of Kamalpur, Assam. The Firm is engaged in manufacturing of various grades of kraft papers used in packaging industry. The Firm is operating with an installed capacity of 37,500 MTPA.

Rating History for the last three years (including withdrawn/suspended ratings)

Sl. No	Facility	Current Rating (April 2018)			Rating History		
		Type	Amount (Rs Crs)	Rating	2017	16/12/2016	2015
1	Fund Based	Long Term	31.65	BWR BB- (Outlook - Negative) ISSUER NOT COOPERATING* <i>Downgraded</i>	-	BWR BB+ (Outlook: Stable) <i>Assigned</i>	Not Applicable
2	Non Fund Based	Long Term	1.50	BWR A4 ISSUER NOT COOPERATING* <i>Downgraded</i>	-	BWR A4+ (Outlook: Stable) <i>Assigned</i>	Not Applicable
Total		33.15 (Thirty Three Crores and Fifteen Lakhs Only)					

* Issuer did not Cooperate; based on the best available information.

Hyperlink/Reference to applicable Criteria / Policies

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [Short Term Debt](#)
- [Manufacturing Companies](#)
- [What Constitutes Non-cooperation](#)

Analytical Contacts	Media
Vidya Shankar Chief General Manager - Ratings analyst@brickworkratings.com	media@brickworkratings.com
	Relationship Contact bd@brickworkratings.com
Phone: 1-860-425-2742	



For print and digital media

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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, 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 ₹ 9,30,000 Cr. In addition, BWR has rated about 5000 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹19,700 Cr have been rated. Brickwork has a major presence in rating of nearly 100 cities.

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.

Ashoka Kraft Paper Mills LLP
Annexure I - Bank Facilities

Bank	Facility	Fund/ Non Fund Based	Tenor	Rated Amount (Rs. Cr.)
Punjab National Bank, Fancy Bazar Branch, Guwahati	Cash Credit	FB	Long Term	12.00
	Term Loan			19.65
	BG	NFB	Short Term	1.50
TOTAL				33.15**

** As per information furnished to BWR in Dec 2016