

March 27, 2020

Asia Bulk Sacks Private Limited: Ratings continue to remain under Issuer Non-Cooperating category

Summary of Rated Instrument:

Instrument	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Fund-based – Term Loans	9.16	9.16	[ICRA]B- (Stable); ISSUER NOT COOPERATING*; Rating continues to remain under ‘Issuer Not Cooperating’ category
Fund-based – Cash Credit	(6.50)	(6.50)	[ICRA]B- (Stable); ISSUER NOT COOPERATING*; Rating continues to remain under ‘Issuer Not Cooperating’ category
Non-Fund-Based limits	6.50	6.50	[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under ‘Issuer Not Cooperating’ category
Fund based limit	18.00	18.00	[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under ‘Issuer Not Cooperating’ category
Unallocated limit	9.94	9.94	[ICRA]B- (Stable)/A4; ISSUER NOT COOPERATING*; Rating continues to remain under ‘Issuer Not Cooperating’ category
Total	43.60	43.60	

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

Rationale

The rating for the bank facilities for Rs. 43.60 crore of Asia Bulk Sacks Private Limited continues to remain under ‘Issuer Not Cooperating’ category. The rating is denoted as “[ICRA]B- (Stable)/A4; ISSUER NOT COOPERATING.

ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity’s management has remained non-cooperative. The current rating action has been taken by ICRA basis best available/dated/ limited information on the issuers’ performance. Accordingly, the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology
Parent/Group Support	Not Applicable
Consolidation / Standalone	Not Applicable

About the company:

Incorporated in 1984, Asia Bulk Sacks Private Limited (ABSPL) is engaged into manufacturing polypropylene and high-density polyethylene woven bags and fabrics which find application in industrial packaging materials for fertilisers, tarpaulins, cement, sugar, plastic polymers, food grains, chemicals, salt etc. The company operates with total installed capacity to produce 5400 metric tonnes of woven sacks per annum. The company is promoted by Mr. Ajit J. Chaudhari who has more than three decades of experience in the industry.

The previous detailed rating rationale is available on the following link: [Click here](#)

Status of non-cooperation with previous CRA:

CRA	Rating	Date
CRISIL	CRISIL B+ (Stable)/A4 Issuer Not cooperating; Reaffirmed	March 06, 2020

Key financial indicators:

	FY2018	FY2019
Operating Income (Rs. crore)	113.2	112.2
PAT (Rs. crore)	1.1	1.2
OPBDITA/ OI (%)	4.8%	4.7%
RoCE (%)	8.7%	9.9%
Total Outside Liabilities/Tangible Net Worth (times)	2.0	1.8
Total Debt/OPBDITA (times)	5.4	5.1
Interest Coverage (times)	2.0	1.8
DSCR (excl. STD/prepayments)	1.0	1.4

Source: MCA

Any other information: None

Rating history for past three years

All figures in Rs. Crore

	Instrument	Current Rating (FY2020)			Rating History for the Past 3 Years								
		Type	Amount Rated	Amount Outstanding	Current Rating	FY2019				FY2018		FY2017	
					27-Mar-2020	31-Dec-2018	15-Nov-2017	07-Sep-2017	29-May-2017	07-Oct-2016	03-Aug-2016 [^]		
1	Cash Credit	Long Term	9.16	-	[ICRA]B-(Stable); ISSUER NOT COOPERATING	[ICRA]B-(Stable); ISSUER NOT COOPERATING	[ICRA]B-(Stable); ISSUER NOT COOPERATING	[ICRA]B-(Stable)	[ICRA]D	[ICRA]B	[ICRA]B-		
2	Term Loan	Long Term	(6.50)	-	[ICRA]B-(Stable); ISSUER NOT COOPERATING	[ICRA]B-(Stable); ISSUER NOT COOPERATING	[ICRA]B-(Stable); ISSUER NOT COOPERATING	[ICRA]B-(Stable)	[ICRA]D	[ICRA]B	[ICRA]B-		
3	Export Packing Credit	Short Term	18.00	-	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4	[ICRA]D	[ICRA]A4	[ICRA]A4		
4	Letter of Credit	Short Term	6.50	-	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4	[ICRA]D	[ICRA]A4	[ICRA]A4		
5	Unallocated	Long Term/Short Term	9.94	-	[ICRA]B-(Stable)/A4; ISSUER NOT COOPERATING	[ICRA]B-(Stable)/A4; ISSUER NOT COOPERATING	[ICRA]B-(Stable)/A4; ISSUER NOT COOPERATING	[ICRA]B-(Stable)/A4	[ICRA]D/D	[ICRA]B/A4	-		

[^]Suspended

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

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