

Navdurga Pulp And Paper Mills India Private Limited

July 11, 2022

Ratings

| Facilities / Instruments | Amount (Rs. crore) | Rating ¹ | Rating Action |
|---------------------------|--|---|--|
| Long Term Bank Facilities | 14.70 | CARE B; Stable; ISSUER NOT COOPERATING* (Single B; Outlook: Stable; ISSUER NOT COOPERATING*) | Rating continues to remain under ISSUER NOT COOPERATING category |
| Total Facilities | 14.70 (Rs. Fourteen Crore and Seventy Lakhs Only) | | |

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated May 03, 2021, placed the rating(s) of Navdurga Pulp And Paper Mills India Private Limited (NPPMIPL) under the 'issuer non-cooperating' category as NPPMIPL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. NPPMIPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated March 19, 2022, March 29, 2022, April 08, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

Detailed description of the key rating drivers

Please refer to PR dated [May 03, 2021](#)

Analytical approach: Standalone

Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

About the Company

Navdurga Pulp And Paper Mills India Private Limited (NPPMIPL) was incorporated in the year 2010 by Mr. Rajesh Kumar Agrawal and Mr. Mangtu Ram Agrawal. The commercial operations of the company started from 2014. The company has been engaged in manufacturing of kraft papers and boards which are used for wrapping and packaging of goods. The manufacturing facility of the company is located at Bemetara, Chhattisgarh with an installed capacity of 23000 tons per year.

| Brief Financials (Rs. crore) | FY20(A) | FY21(A) | FY22(Prov.) | Q1FY23(Prov.) |
|------------------------------|---------|---------|-------------|---------------|
| Total operating income | 38.88 | 45.39 | NA | NA |
| PBILDT | 4.66 | 5.44 | NA | NA |
| PAT | 0.07 | 0.45 | NA | NA |
| Overall gearing (times) | 4.04 | 3.89 | NA | NA |
| Interest coverage (times) | 2.71 | 3.12 | NA | NA |

A - Audited, Prov. Provisional, NA – Not Available

Status of non-cooperation with previous CRA: India Ratings has continued the rating assigned to the bank facilities of NPPMIPL into Issuer Not Cooperating category vide press release dated August 12, 2021 on account of its inability to carry out a review in the absence of requisite information from the company.

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument/facility: Please refer Annexure 3

Complexity level of various instruments rated for this Company: Please refer Annexure-4

¹Complete definitions of the ratings assigned are available at www.careedge.in and in other CARE's publications

*Issuer did not cooperate; Based on best available information

Annexure-1: Details of Instruments/ Facilities

| Name of the Instrument | ISIN | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. crore) | Rating Assigned along with Rating Outlook |
|-----------------------------|------|------------------|-------------|---------------|-------------------------------|---|
| Fund-based - LT-Term Loan | | - | - | Oct 2024 | 5.70 | CARE B; Stable; ISSUER NOT COOPERATING* |
| Fund-based - LT-Cash Credit | | - | - | - | 9.00 | CARE B; Stable; ISSUER NOT COOPERATING* |

*Issuer did not cooperate; based on best available information

Annexure-2: Rating History of last three years

| Sr. No. | Name of the Instrument /Bank Facilities | Current Ratings | | Rating History | | | | |
|---------|---|-----------------|--------------------------------|---|---|---|---|--|
| | | Type | Amount Outstanding (Rs. crore) | Rating | Date(s) & Rating(s) assigned in 2022-2023 | Date(s) & Rating(s) assigned in 2021-2022 | Date(s) & Rating(s) assigned in 2020-2021 | Date(s) & Rating(s) assigned in 2019-2020 |
| 1 | Fund-based - LT-Term Loan | LT | 5.70 | CARE B; Stable; ISSUER NOT COOPERATING* | - | 1)CARE B; Stable; ISSUER NOT COOPERATING* (03-May-21) | - | 1)CARE B+; Stable; ISSUER NOT COOPERATING* (28-Feb-20) 2)CARE BB-; Stable (12-Aug-19) |
| 2 | Fund-based - LT-Cash Credit | LT | 9.00 | CARE B; Stable; ISSUER NOT COOPERATING* | - | 1)CARE B; Stable; ISSUER NOT COOPERATING* (03-May-21) | - | 1)CARE B+; Stable; ISSUER NOT COOPERATING* (28-Feb-20) 2)CARE BB-; Stable (12-Aug-19) |

*Issuer did not cooperate; based on best available information

Annexure-3: Detailed explanation of covenants of the rated instrument / facilities - Not Applicable**Annexure 4: Complexity level of various instruments rated for this Company**

| Sr. No. | Name of Instrument | Complexity Level |
|---------|-----------------------------|------------------|
| 1 | Fund-based - LT-Cash Credit | Simple |
| 2 | Fund-based - LT-Term Loan | Simple |

Annexure 5: Bank Lender Details for this Company

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About CARE Ratings Limited:

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