

GRD Paper Industries Private Limited

July 20, 2022

Ratings

| Facilities / Instruments | Amount (Rs. crore) | Rating ¹ | Rating Action |
|----------------------------|---|--|---|
| Long Term Bank Facilities | 4.90 | CARE B-; Stable; ISSUER NOT COOPERATING* (Single B Minus; Outlook: Stable; ISSUER NOT COOPERATING*) | Rating continues to remain under ISSUER NOT COOPERATING category |
| Short Term Bank Facilities | 1.05 | CARE A4; ISSUER NOT COOPERATING* (A Four; ISSUER NOT COOPERATING*) | Rating continues to remain under ISSUER NOT COOPERATING category |
| Total Facilities | 5.95 (Rs. Five Crore and Ninety-Five Lakhs Only) | | |

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated May 19, 2021, placed the rating(s) of GRD Paper Industries Private Limited (GRD) under the 'issuer non-cooperating' category as GRD had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise agreed to in its Rating Agreement. GRD continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated April 04, 2022, April 14, 2022, April 24, 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 19, 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

GRD Paper Industries Private Limited (GRD) was incorporated in December 1988 by Mr. Rajesh Agrawal. However, the commercial operations of the company started from August 2007 only. The company has been engaged in manufacturing of kraft papers which are used for wrapping and packaging of goods. The manufacturing facility of the company is located at Bombay Road, Howrah, West Bengal with an installed capacity of 15000 tons per year.

| Brief Financials (Rs. crore) | FY20 (A) | FY21 (A) | FY22 (Prov.) | Q1FY23(Prov.) |
|------------------------------|----------|----------|--------------|---------------|
| Total operating income | 23.64 | 31.72 | NA | NA |
| PBILDT | 0.13 | -0.13 | NA | NA |
| PAT | -1.26 | -1.68 | NA | NA |
| Overall gearing (times) | 3.50 | 17.53 | NA | NA |
| Interest coverage (times) | 2.48 | -0.28 | NA | NA |

A: Audited, Prov.: Provisional, NA: Not Available

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

*Issuer did not cooperate; Based on best available information

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

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

Covenants of rated instrument/facility: Annexure -3

Complexity level of various instruments rated for this company: Annexure -4

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 | | - | - | August 2025 | 3.90 | CARE B-; Stable; ISSUER NOT COOPERATING* |
| Fund-based - LT-Cash Credit | | - | - | - | 1.00 | CARE B-; Stable; ISSUER NOT COOPERATING* |
| Non-fund-based - ST-Bank Guarantee | | - | - | - | 1.05 | CARE A4; 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) and Rating(s) assigned in 2022-2023 | Date(s) and Rating(s) assigned in 2021-2022 | Date(s) and Rating(s) assigned in 2020-2021 | Date(s) and Rating(s) assigned in 2019-2020 |
| 1 | Fund-based - LT-Term Loan | LT | 3.90 | CARE B-; Stable; ISSUER NOT COOPERATING * | - | 1)CARE B-; Stable; ISSUER NOT COOPERATING * (19-May-21) | - | 1)CARE B; Stable; ISSUER NOT COOPERATING * (20-Mar-20) 2)CARE BB-; Stable (08-Apr-19) |
| 2 | Fund-based - LT-Cash Credit | LT | 1.00 | CARE B-; Stable; ISSUER NOT COOPERATING * | - | 1)CARE B-; Stable; ISSUER NOT COOPERATING * (19-May-21) | - | 1)CARE B; Stable; ISSUER NOT COOPERATING * (20-Mar-20) 2)CARE BB-; Stable (08-Apr-19) |
| 3 | Non-fund-based - ST-Bank Guarantee | ST | 1.05 | CARE A4; ISSUER NOT COOPERATING * | - | 1)CARE A4; ISSUER NOT COOPERATING * (19-May-21) | - | 1)CARE A4; ISSUER NOT COOPERATING * (20-Mar-20) 2)CARE A4 (08-Apr-19) |

*Issuer did not cooperate; Based on best available information

Annexure 3: Detailed explanation of the covenants of the rated instruments/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 |
| 3 | Non-fund-based - ST-Bank Guarantee | 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 Ratings Ltd. 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.

Contact us**Media Contact**

Name – Mr. Mradul Mishra
Contact no. - +91-22-6754 3596
Email ID - mradul.mishra@careedge.in

Analyst Contact

Group Head Name - Shachee Nakul Vyas
Group Head Contact no.-+91-79-4026 5656
Group Head Email ID - shachee.tripathi@careedge.in

Relationship Contact

Name -Lalit Sikaria
Contact no. -9830386869
Email ID: lalit.sikaria@careedge.in

About CARE Ratings Limited:

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With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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