



## Press Release

**Ranga Particle Board Industries Limited**

**January 29, 2024**

### Ratings

Facilities**	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	<a href="#">Complexity Indicator</a>
Short Term Bank Facility	90.72	IVR BB+ (Negative)/ ISSUER NOT COOPERATING; (IVR Double B Plus with Negative Outlook/ Issuer Not Cooperating)	IVR BBB-/ Stable (IVR Triple B Minus with Stable Outlook)	Downgraded and migrated to ISSUER NOT COOPERATING Category	Simple
Long Term bank Facility	4.00	IVR A4+ /ISSUER NOT COOPERATING * (IVR A Four Plus / Issuer Not Cooperating)	IVR A3 (IVR A Three)	Downgraded and migrated to ISSUER NOT COOPERATING Category	Simple
<b>Total</b>	<b>94.72</b>	<b>Rupees Ninety Four Crore and Seventy Two Lakhs Only</b>			

\* Issuer not cooperating; Based on best available information

\*\* Details of facilities is given under Annexure I.

### Ratings

The ratings have been downgraded and migrated to 'ISSUER NOT COOPERATING' category due to non-submission of information and lack of management co-operation.

### Detailed Rationale

The ratings have been downgraded on account of lack of adequate information from the company and hence the uncertainty around its credit risk. Infomerics Valuation and Rating Private Limited (IVR) assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

IVR had rated the bank loan facilities of Ranga Particle Board Industries Limited in November 2022. Despite close follow up through telephone calls and mails dated 20<sup>th</sup> Nov,2023, 8<sup>th</sup> Dec,2023, 27<sup>th</sup> Dec,2023, 8<sup>th</sup> Jan,2024, 24<sup>th</sup> Jan 2024 and concurrently over multiple phone calls for submission required information for review and failure to submit minimum required information for a review is considered as an act of non-cooperation. In the absence of adequate information from the company, IVR is unable to assess the society's financial performance and its ability to service its debt and maintain a valid rating. Hence, the rating has been downgraded and migrated to Issuer Not Cooperating category. Accordingly, the lenders, investors and other users of this rating are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the Company.



## Press Release

### Non-cooperation by Issuer

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the long-term rating and short-term rating for the bank loan facilities aggregating to Rs. 94.72 Crore for the bank loan facilities of Ranga Particle Board Industries Limited have been downgraded and migrated to 'ISSUER NOT COOPERATING' category by Infomerics and the rating for the long-term be noted as IVR BB+/Negative; ISSUER NOT CO-OPERATING; and short-term rating noted as IVR A4+; ISSUER NOT CO-OPERATING based on best available information.

**Analytical Approach:** Standalone

**Applicable Criteria:**

[Rating Methodology for Manufacturing Companies](#)  
[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)  
[Guidelines on what constitute Non-Cooperation by clients](#)

### About the Company

Ranga Particle Board Industries Limited (RPBIL), was incorporated on September 2, 2010, by Mr. Rangaiah Kakarala to undertake Medium Density Fibreboard (MDF) manufacturing. RPBIL's plant is located at Prakasam district, Andhra Pradesh. The company was subsequently acquired by Mr. Sanjiv Agarwal and his family based out of Nagpur. The Agarwal family has been in particle board industry for 3 decades, through their flagship entity: Paralam Global Private Limited (Paralam). The Agarwal family took over RPBIL and completed the construction of the plant with capacity of 300CBM (Cubic Meter; 24200 boards per day).

### Financials (Standalone):

For the year ended*/As on	(Rs. crore)	
	31-03-2022	31-03-2023
	<b>Audited</b>	<b>Audited</b>
Total Operating Income	100.87	118.76
EBITDA	21.36	24.47
PAT	3.61	9.28
Total Debt	85.74	79.97
Analyzed Tangible Net worth	44.63	57.92
EBITDA Margin (%)	21.17	20.61
PAT Margin (%)	3.53	7.68
Analyzed Overall Gearing Ratio (x)	1.92	1.38

\*Classification as per Infomerics' standards.

**Status of non-cooperation with previous CRA:** NA

**Any other information:** Nil



## Press Release

### Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Rating (Year 2023-24)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2022-23 (29 Nov 2022)	Date(s) & Rating(s) assigned in 2021-22 (23 Dec 2021)	Date(s) & Rating(s) assigned in 2020-21
1.	Long Term Fund Based	Long Term	90.72	IVR BB+/Negative; Issuer Not Cooperating	IVR BBB-/Stable	IVR BB/Stable	-
2.	Short Term Non-Fund Based	Short Term	4.00	IVR A4+ ; Issuer Not Cooperating	IVR A3	IVR A4	-

*\*Issuer did not cooperate; based on best available information.*

### Name and Contact Details of the Rating Analyst:

Name: Mr. Raman Thakur Tel: (011) 45579024 Email: <a href="mailto:raman.thakur@infomerics.com">raman.thakur@infomerics.com</a>	Name: Mr. Vipin Jindal Tel: (011) 45579024 Email: <a href="mailto:vipin.jindal@infomerics.com">vipin.jindal@infomerics.com</a>
--	--

### About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit [www.infomerics.com](http://www.infomerics.com)

**Disclaimer:** Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time.



## Press Release

Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the entity at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

### Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Bank Facilities-TL	-	-	June 2029	65.72	IVR BB+/Negative; Issuer Not Cooperating
Long Term Bank Facilities-CC	-	-	-	25.00	IVR BB+/Negative; Issuer Not Cooperating
Short Term Bank Facilities-LC	-	-	-	4.00	IVR A4+ ; Issuer Not Cooperating

**Annexure 2: List of companies considered for consolidated analysis:** Not Applicable

**Annexure 3: Facility wise lender details**

<https://www.infomerics.com/admin/prfiles/len-ranga-particle-jan24.pdf>

**Annexure 4: Detailed explanation of covenants of the rated instrument/facilities:** Not Applicable

**Note on complexity levels of the rated instrument:** Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at [www.infomerics.com](http://www.infomerics.com).