



Brickwork Ratings India Pvt. Ltd.

BESTECH Business Tower, Tower 'A', Unit No. 601
6th Floor, SAS Nagar, Mohali, Punjab - 160 059
P: +91 172 5032 295 / 6

BWR/BLR/CHD/SRC/SL/7721/2021-22

24Jan2022

Mr. Pardeep Makker

CFO

Garg Acrylics Ltd.

Kangalwal Road, VPO Jugiana

Ludhiana - 141120

Dear Sir,

Sub: Mid Term Review of Ratings of Bank Loan Facilities of Garg Acrylics Ltd. aggregating Rs.577.99 Crs. (Rupees Five Hundred Seventy Seven Crores and Ninety Nine lakhs Only).

Ref: BWR rating letter BWR/BLR/CHD/SRC/AM/2971/2021-22 dated 27Jul2021

On Mid Term Review of Garg Acrylics Ltd. performance based on the information and clarifications provided by you, and as available in public sources, we are pleased to inform you that the ratings of Garg Acrylics Ltd. Bank Loan Facilities amounting to Rs.577.99Crs., have been upgraded as follows:

Facilities**	Amount (Rs.Crs.)		Tenure	Rating#	
	Previous	Present		Previous(28 Jul 2021)	Present
Fund Based					
Term Loan -Sanctioned	188.75	165.30	Long Term	BWR BBB/Stable Reaffirmation and change in Outlook	BWR BBB + /Stable Upgrade
Cash Credit -Sanctioned	335.00	335.00			
Covid -19 Emergency Line Credit -Sanctioned	23.63	12.19			
Cash Credit (WHR) -Sanctioned	50.00	50.00	Short Term	BWR A3+ Reaffirmation	BWR A2 Upgrade
Sub Total	597.38	562.49			
Non-Fund Based					

Facilities**	Amount (Rs.Crs.)		Tenure	Rating#	
	Previous	Present		Previous(28 Jul 2021)	Present
ILC/FLC/BG -Sanctioned	15.50	15.50	Short Term	BWR A3+ Reaffirmation	BWR A2 Upgrade
Sub Total	15.50	15.50			
Grand Total	612.88	577.99	(Rupees Five Hundred Seventy Seven Crores and Ninety Nine lakhs Only)		

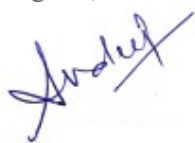
#Please refer to BWR website www.brickworkratings.com for definition of the ratings assigned

**Bank Loan facility details are furnished in Annexure-I

The Ratings are valid for twelve months from the date of this letter subject to terms and conditions that were agreed in your mandate dated **21 May 2021** and other correspondence, if any, and Brickwork Ratings' standard disclaimer pronounced at the end of this letter.

The rated Bank Loan facilities would be under surveillance / review during the said period. You are required to submit information periodically as per Annexure - II for the purpose of surveillance / review. You are also required to keep us informed of any information / development that may affect your entity's finances / performance without any delay. **You are also requested to submit No Default Statement on monthly basis.**

Best Regards,



Sudeep Sanwal
Associate Director - Ratings

Note: Rating Rationale of all accepted Ratings are published on Brickwork Ratings website. All non-accepted ratings are also published on Brickwork Ratings website. Interested persons are well advised to refer to our website www.brickworkratings.com, If they are unable to view the rationale, they are requested to inform us on brickworkhelp@brickworkratings.com.



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BWR wishes to inform all persons who may come across Rating Rationales and Rating Reports provided by BWR that the ratings assigned by BWR are based on information obtained from the issuer of the instrument and other reliable sources, which in BWR's best judgment are considered reliable. The Rating Rationale / Rating Report & other rating communications are intended for the jurisdiction of India only. The reports should not be the sole or primary basis for any investment decision within the meaning of any law or regulation (including the laws and regulations applicable in Europe and also the USA).

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provided for a fee. BWR's rating criteria are also generally made available without charge on BWR's website.

This disclaimer forms an integral part of the Ratings Rationales / Rating Reports or other press releases, advisories, communications issued by BWR and circulation of the ratings without this disclaimer is prohibited.

BWR is bound by the Code of Conduct for Credit Rating Agencies issued by the Securities and Exchange Board of India and is governed by the applicable regulations issued by the Securities and Exchange Board of India as amended from time to time.

Garg Acrylics Ltd.

Annexure-I

Details of Bank Loan Facilities Rated by BWR

Name of the Bank	Facilities	Tenure	Amount (Rs.Crs.)
IDBI Bank	Term Loan-Sanctioned	Long Term	15.54
	Cash Credit-Sanctioned	Long Term	22.00
	ILC/FLC/BG-Sanctioned	Short Term	10.00
Indian Bank	ILC/FLC/BG-Sanctioned	Short Term	0.30
	Covid -19 Emergency Line Credit-Sanctioned	Long Term	
	Cash Credit-Sanctioned	Long Term	22.00
	Term Loan-Sanctioned	Long Term	13.40
Punjab and Sind Bank	Cash Credit-Sanctioned	Long Term	140.00
	Term Loan-Sanctioned	Long Term	58.97
	Cash Credit (WHR)-Sanctioned	Short Term	50.00
	ILC/FLC/BG-Sanctioned	Short Term	0.20
	Covid -19 Emergency Line Credit-Sanctioned	Long Term	12.19
Punjab National Bank	Covid -19 Emergency Line Credit-Sanctioned	Long Term	



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Name of the Bank	Facilities	Tenure	Amount (Rs.Crs.)
	ILC/FLC/BG-Sanctioned	Short Term	5.00
	Term Loan-Sanctioned	Long Term	77.39
	Cash Credit-Sanctioned	Long Term	101.00
South Indian Bank	Cash Credit-Sanctioned	Long Term	50.00
TOTAL (Rupees Five Hundred Seventy Seven Crores and Ninety Nine lakhs Only)			577.99



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Annexure-II

The following documents/ information should be submitted to BWR:

1. Confirmation from the Company that all the terms and conditions stipulated in the Bank's Term loan sanction letter has been fully complied with.
2. Certified copy of periodical book debts/bills receivables statements submitted to the bank.
3. Confirmation about payment of installment and interest as and when paid.
4. Schedule of Term Loan installments and Interest due and payment made so far.
5. Certified copy of Quarterly Information Statements (QIS) and Half Yearly Information Statements (HYIS) submitted to the bank.
6. Certified copy of Banks' Statements of Accounts on a quarterly basis.
7. Quarterly / Half yearly financial statements (unaudited or with limited review) and Annual financial statements (provisional as well as audited).
8. Information on delays/defaults in servicing bank loans, letters of credit, letters of guarantee, NCDs, bonds and other borrowings, if any, by the Company as at the end of each month by 1st of succeeding month.
9. Information on delays / defaults in servicing of debt obligations of any subsidiary / other group companies, if any, as at the end of each month by 1st of succeeding month.
10. Any other statement / information sought by BWR from time to time.
11. All the aforesaid information shall be mailed to dat@brickworkratings.com