

Avon Plastic Industries Private Limited

December 01, 2022

Ratings

Facilities/Instruments	Amount (Rs crore)	Rating ¹	Rating Action
Long Term Bank Facilities	15.00	CARE BB; Stable; ISSUER NOT COOPERATING* (Double B; Outlook: Stable; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB+; Stable; (Double B Plus; Outlook: Stable)
Total Bank Facilities	15.00 (Rs Fifteen Crore Only)		

Details of instruments/facilities in Annexure-1

*Issuer did not cooperate; Based on best available information

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated September 20, 2021, placed the rating(s) of Avon Plastic Industries Private Limited (APIPL) under the 'issuer non-cooperating' category as APIPL 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. APIPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated August 06, 2022, August 16, 2022, August 26, 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).

The ratings assigned to the bank facilities of APIPL have been revised on account of non-availability of requisite information.

Detailed description of the key rating drivers

Please refer to PR dated [September 20, 2021](#)

Analytical approach: Combined

Business and financial risk factors of the Avon Plastic Industries Pvt Ltd and Tunga PVC Pipes Pvt Ltd have been combined as both the companies are owned and managed by common promoters, engaged in similar line of business and sell their products under the same brand 'Avonplast' through a common distributor channel.

Applicable Criteria

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

[Policy on default recognition](#)

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

About the Company

Avon Plastic industries Pvt Ltd was started in 1965. Tunga PVC Pipes Pvt Ltd was acquired by Avon group in 1996. Both the companies (herein referred to as Avon Group) are engaged in manufacturing of UPVC & CPVC pipes and fittings. The products are sold under name 'Avonplast' and 'Bajajplast' through a common distributor channel.

Brief Financials (Rs. crore) (Standalone)	FY21 (A)	FY22 (A)	H1FY23 (Prov.)
Total operating income	306.37	NA	NA
PBILDT	56.83	NA	NA
PAT	37.33	NA	NA
Overall gearing (times)	0.20	NA	NA
Interest coverage (times)	27.89	NA	NA

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

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

Brief Financials (Rs. crore) (Combined)	FY21 (A)	FY22 (A)	H1FY23 (Prov.)
Total operating income	457.21	NA	NA
PBILDT	80.40	NA	NA
PAT	53.65	NA	NA
Overall gearing (times)	0.14	NA	NA
Interest coverage (times)	30.71	NA	NA

A: Audited; Prov.: Provisional; NA: Not Available; UA: Unaudited

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
Non-fund-based - LT-Letter of credit		-	-	-	15.00	CARE BB; 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) 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	Non-fund-based - LT-Letter of credit	LT	15.00	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (20-Sep-21)	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (24-Aug-20)	1)CARE BBB-; Stable; ISSUER NOT COOPERATING* (25-Feb-20)

*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 the Instrument	Complexity Level
1	Non-fund-based - LT-Letter of credit	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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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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