

Merrito Polymers (India) Private Limited

January 09, 2023

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	5.00	CARE B-; Stable; ISSUER NOT COOPERATING* (Single B Minus; Outlook: Stable; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B; Stable; (Single B; Outlook: Stable)
Short Term Bank Facilities	0.50	CARE A4; ISSUER NOT COOPERATING* (A Four; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	5.50 (Rs. Five Crore and Fifty Lakhs 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 October 25, 2021, placed the rating(s) of Merrito Polymers (India) Private Limited (MPPL) under the 'issuer non-cooperating' category as MPPL 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. MPPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated September 10, 2022, September 20, 2022, September 30, 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 MPIPL have been revised on account of non-availability of requisite information. The ratings factored decline in scale of operations, occurring of net losses during FY21 compare to FY20.

Detailed description of the key rating drivers

Please refer to PR dated [October 25, 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

Merrito Polymers (India) Private Limited (MPPL) was incorporated in the year 2014 as a private limited company and promoted by Mr. Yesu Das Dovari, Mrs. Jayaprada Dovari, Mr. Dovari Amarnath and Mrs. Darsi Vanaja. The manufacturing unit of Vinyl Sheeting and Polyvinyl chloride Flexible Film and Foils is located in Krishna District, Andhra Pradesh, covering an area of ~3400 square feet. The company is engaged in manufacturing of Vinyl Sheeting and Polyvinyl Chloride Flexible film and started commercial operation from September 2017. The company purchases raw material (rigid film) from Chennai, Andhra Pradesh and Telangana. The company sells its final products to Maharashtra, Chennai, Telangana, Andhra Pradesh etc.

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

Brief Financials (Rs. crore)	FY20 (A)	FY21(A)	FY22(A)	9MFY23(Prov.)
Total operating income	2.19	0.64	NA	NA
PBILDT	0.81	0.35	NA	NA
PAT	1.31	-0.78	NA	NA
Overall gearing (times)	-9.52	-8.60	NA	NA
Interest coverage (times)	0.97	0.34	NA	NA

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

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-Cash Credit		-	-	-	5.00	CARE B-; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-ILC/FLC		-	-	-	0.50	CARE A4; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating history for the 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-Cash Credit	LT	5.00	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (25-Oct-21)	1)CARE B; Stable; ISSUER NOT COOPERATING* (18-Sep-20)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (19-Jun-19)
2	Non-fund-based - ST-ILC/FLC	ST	0.50	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (25-Oct-21)	1)CARE A4; ISSUER NOT COOPERATING* (18-Sep-20)	1)CARE A4; ISSUER NOT COOPERATING* (19-Jun-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	Non-fund-based - ST-ILC/FLC	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:

Established in 1993, CARE Ratings Ltd. is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India (SEBI), it has also been acknowledged as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). With an equitable position in the Indian capital market, CARE Ratings Limited provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions backed by knowledge and assessment provided by the company.

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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