

## Garg Polypacks Private Limited

December 13, 2021

### Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	7.00	<b>CARE B; Stable; ISSUER NOT COOPERATING* (Single B; Outlook: Stable ISSUER NOT COOPERATING*)</b>	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B+; Stable; (Single B Plus; Outlook: Stable)
<b>Total Bank Facilities</b>	<b>7.00 (Rs. Seven Crore Only)</b>		

### Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated December 11, 2020, placed the rating(s) of Garg Polypacks Private Limited (GPPL) under the 'issuer non-cooperating' category as GPPL 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. GPPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated October 27, 2021, November 06, 2021, November 16, 2021.

In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE'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 have been revised on account of non-availability of requisite information.

### Detailed description of the key rating drivers

Please refer to PR dated [December 11, 2020](#)

**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

Uttar Pradesh based, Garg Polypacks Private Limited (GPPL) was formed in the year 1984 as a partnership firm. Subsequently in 1993, it was converted into private limited company by Mr. Ajay Kumar Garg, Mr. Ankit Garg and Mr. Prateek Garg. The company is engaged in the business of manufacturing of High-Density Polyethylene (HDPE) and Polypropylene (PP) laminated woven sacks bags and fabrics which find its application in packaging across various industries viz. cattle feed, sugar, fertilizers etc. The manufacturing plant of the company is located at Visyapur, Kanpur with installed capacity of 1,50,000 HDPE/PP woven sack bags as on January 07, 2019. The company sells its product mainly to farmers and manufacturers based in Uttar Pradesh and nearby regions

Brief Financials (Rs. crore)	FY19(A)	FY20(A)	FY21 (Prov.)
Total operating income	33.39	39.19	NA
PBILDT	2.04	2.39	NA
PAT	0.61	0.83	NA
Overall gearing (times)	1.29	0.96	NA
Interest coverage (times)	2.53	3.29	NA

A: Audited, Prov. – Provisional, NA – Not available

**Status of non-cooperation with previous CRA:** Not Applicable

**Any other information:** Not Applicable

**Disclosure of Interest of Independent/Non-Executive Directors/ Managing Director & CEO:** Not Applicable

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

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE publications

**Covenants of rated instrument/facility:** Please refer Annexure 3

**Complexity level of various instruments rated for this Company:** Please refer 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		-	-	-	6.00	CARE B; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Stand by Limits		-	-	-	1.00	CARE B; Stable; ISSUER NOT COOPERATING*

\*Issuer not cooperating; 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) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1	Fund-based - LT-Term Loan	LT	-	-	-	-	-	1)Withdrawn (04-Feb-19)
2	Fund-based - LT-Cash Credit	LT	6.00	CARE B; Stable; ISSUER NOT COOPERATING*	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (11-Dec-20)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (18-Dec-19)	1)CARE BB-; Stable (04-Feb-19)
3	Fund-based - LT-Stand by Limits	LT	1.00	CARE B; Stable; ISSUER NOT COOPERATING*	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (11-Dec-20)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (18-Dec-19)	1)CARE BB-; Stable (04-Feb-19)

\*Issuer not cooperating; Based on best available information

**Annexure-3: Detailed explanation of covenants of the rated instrument / 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-Stand by Limits	Simple

**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](mailto:care@careedge.in) for any clarifications.

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### About CARE Ratings:

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