

## Sanwariya Packaging Private Limited

June 16, 2021

### Ratings

Facilities/Instruments	Amount (Rs. crore)	Ratings <sup>1</sup>	Rating Action
Long Term Bank Facilities	1.96	CARE B; ISSUER NOT COOPERATING* (Single B ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB-; (Double B Minus)
Long Term / Short Term Bank Facilities	4.00	CARE B / CARE A4; ISSUER NOT COOPERATING* (Single B / A Four ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB- / CARE A4; (Double B Minus / A Four)
<b>Total Bank Facilities</b>	<b>5.96</b> <b>(Rs. Five Crore and</b> <b>Ninety-Six Lakhs Only)</b>		

*Details of facilities in Annexure -1*

### Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated July 03, 2020, placed the ratings of Sanwariya Packaging Private Limited (SPPL) under the 'issuer non-cooperating' category as SPPL had failed to provide information for monitoring of the ratings for the rating exercise as agreed to in its Rating Agreement. SPPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated May 21, 2021, May 29, 2021 and June 08, 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 ratings.***

The ratings have been revised on account of non-availability of requisite information. The ratings further take into account deterioration in its scale of operations with cash loss coupled with deterioration in capital structure and debt coverage indicators during FY20 (FY refers to the period from April 01 to March 31).

### Detailed description of the key rating drivers

Please refer to PR dated [July 03, 2020](#)

**Analytical approach:** Standalone

### Applicable Criteria

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

[CARE's Policy on Default Recognition](#)

[Criteria on assigning Outlook and Credit Watch to Credit Ratings](#)

### About the Company

Indore- based (Madhya Pradesh), SPPL was incorporated during September 2010 by Mr. Mukul Wadhvani and Mr. Jay Wadhvani. SPPL is engaged into manufacturing of high quality pharma aluminum foil, blister foil and corrugated boxes. SPPL is Drug Master File (US FDA) approved, which is regarded as apex among applicable regulatory approvals across the Pharmaceuticals industry. Foils manufactured by SPPL are used as a packaging material for medicines manufactured by the pharmaceutical companies while corrugated boxes are used for packaging these foils.

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and in other CARE publications; \*Issuer did not cooperate; Based on best available information

Brief Financials (Rs. crore)	FY19 (A)	FY20 (A)
Total operating income	31.42	27.66
PBILDT	2.08	0.62
PAT	0.07	(1.81)
Overall gearing (times)	1.50	1.74
Interest coverage (times)	1.42	0.46

A: Audited

**Status of non-cooperation with previous CRA:** BRICKWORK has conducted the review on the basis of best available information and has classified the SPPL as “Not cooperating” vide its press release dated May 05, 2021.

**Any other information:** Not Applicable

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

**Complexity level of various instruments rated for this company:** Annexure 3

#### Annexure 1: Details of Instruments/Facilities:

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	-	January, 2018	1.17	CARE B; ISSUER NOT COOPERATING*
Fund-based - LT/ ST-Cash Credit	-	-	-	4.00	CARE B / CARE A4; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan	-	-	July, 2016	0.16	CARE B; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan	-	-	January, 2019	0.63	CARE B; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; Based on best available information

#### Annexure 2: Rating History for 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	1.17	CARE B; ISSUER NOT COOPERATING*	-	1)CARE BB-; ISSUER NOT COOPERATING* (03-Jul-20)	1)CARE BB; ISSUER NOT COOPERATING* (28-Jun-19)	1)CARE BB; ISSUER NOT COOPERATING* (20-Jun-18)
2.	Fund-based - LT/ ST-Cash Credit	LT/ST	4.00	CARE B / CARE A4; ISSUER NOT COOPERATING*	-	1)CARE BB- / CARE A4; ISSUER NOT COOPERATING* (03-Jul-20)	1)CARE BB / CARE A4; ISSUER NOT COOPERATING* (28-Jun-19)	1)CARE BB / CARE A4; ISSUER NOT COOPERATING* (20-Jun-18)
3.	Fund-based - LT-Term Loan	LT	0.16	CARE B; ISSUER NOT COOPERATING*	-	1)CARE BB-; ISSUER NOT COOPERATING* (03-Jul-20)	1)CARE BB; ISSUER NOT COOPERATING* (28-Jun-19)	1)CARE BB; ISSUER NOT COOPERATING* (20-Jun-18)
4.	Fund-based - LT-Term Loan	LT	0.63	CARE B; ISSUER NOT COOPERATING*	-	1)CARE BB-; ISSUER NOT COOPERATING* (03-Jul-20)	1)CARE BB; ISSUER NOT COOPERATING* (28-Jun-19)	1)CARE BB; ISSUER NOT COOPERATING* (20-Jun-18)

\*Issuer did not cooperate; Based on best available information

**Annexure 3: Complexity level of various instruments rated for this company**

Sr. No.	Name of the Instrument	Complexity Level
1.	Fund-based - LT-Term Loan	Simple
2.	Fund-based - LT/ ST-Cash Credit	Simple

**Note on complexity levels of the rated instrument:** CARE has classified instruments rated by it on the basis of complexity. This classification is available at [www.careratings.com](http://www.careratings.com). Investors/market intermediaries/regulators or others are welcome to write to [care@careratings.com](mailto:care@careratings.com) for any clarifications.

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**About CARE Ratings:**

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

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