

Sadguru poly Industries

July 09, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	7.14	CARE B-; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

*Issuer did not cooperate; based on best available information.

Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated May 09, 2023, placed the rating(s) of Sadguru poly Industries (SPI) under the 'issuer non-cooperating' category as SPI 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. SPI continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated March 24, 2024, April 03, 2024, April 13, 2024.

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).

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers:

Please refer to PR dated [May 09, 2023](#)

Applicable criteria

[CARE Ratings' criteria on information adequacy risk and issuer non-cooperation](#)

[Policy on default recognition](#)

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

About the firm

Morbi-based (Gujarat) SPI was established on August 1, 2016 by 12 partners. SPI is into the business of manufacturing Polypropylene (PP) Woven Bags and PP Woven Fabrics mainly from different types of plastic granules. SPI has completed greenfield project for manufacturing of PP Woven bags and fabrics in June 2017 with an installed capacity of 2,074 Metric Tonnes per Annum (MTPA) and a project cost of Rs.7.41 crore (including Rs.1.11 crore of working capital margin) via debt equity mix of 1.59:1.00 times. The final products of SPI i.e., PP Woven Bags and PP Woven Fabrics are used as packaging material for food products, pulverous materials, chemicals, fertilizers, grains, salt, sand etc. SPI commenced its operations from July, 2017 onwards, from its manufacturing facility located at Tankara, Morbi (Gujarat). The firm purchases majority of raw materials locally while few raw materials are also imported from various countries while it sells its final products to various states pan-India via its own sales personnel.

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

Brief Financials (₹ crore)	March 31, 2018 (A)^
Total operating income	4.85
PBILDT	0.72
PAT	0.00*
Overall gearing (times)	2.00
Interest coverage (times)	2.92

A: Audited; Note: 'the above results are latest financial results available';

^Operations commenced from July, 2017; *amount is in thousands

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: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	2.80	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	May, 2024	4.34	CARE B-; Stable; 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 (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Term Loan	LT	4.34	CARE B-; Stable; ISSUER NOT COOPERATING *	-	1)CARE B-; Stable; ISSUER NOT COOPERATING * (09-May-23)	-	1)CARE B-; Stable; ISSUER NOT COOPERATING * (07-Mar-22)
2	Fund-based - LT-Cash Credit	LT	2.80	CARE B-; Stable; ISSUER NOT COOPERATING *	-	1)CARE B-; Stable; ISSUER NOT COOPERATING * (09-May-23)	-	1)CARE B-; Stable; ISSUER NOT COOPERATING * (07-Mar-22)

*Issuer did not cooperate; Based on best available information

LT: Long term

Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities: Not Applicable**Annexure-4: Complexity level of the various instruments rated**

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

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instrument: CARE Ratings 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.

Contact us

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About us:

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