

Arun Polymers

August 30, 2024

| Facilities/Instruments | Amount (₹ crore) | Rating ¹ | Rating Action |
|---------------------------|------------------|---------------------------------|--|
| Long Term Bank Facilities | 9.00 | CARE D; 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 August 17, 2023, placed the rating(s) of Arun Polymers (AP) under the 'issuer non-cooperating' category as AP had failed to provide information for monitoring of the rating. AP continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated July 02, 2024, July 12, 2024, July 22, 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: Not Applicable

Detailed description of the key rating drivers:

Please refer to PR dated [August 17, 2023](#)

Applicable criteria

[CARE Rating's criteria on information adequacy risk and issuer non-cooperation](#)
[Policy on Default Recognition](#)

About the Firm

Arun Polymers is a proprietorship firm, incorporated in 2013 by Mr. Arun Kumar. It started commercial operations from April 2013. The firm is engaged in the business of manufacturing polypropylene sack bags (PP bags). The manufacturing unit is located in Dindigul district in the state of Tamil Nadu and has around 40 employees. The major raw material for the unit is virgin raffia (a by-product of petroleum) granules which are majorly purchased from Reliance Industries Limited. The firm had an installed capacity of 100 tons per month as on March 31, 2016, which has been increased to 250 tons per month as on July 31, 2016. The firm has majority of customers in Tamil Nadu and Telangana region.

| Brief Financials (Rs. crore) | March 31, 2015 (A) | March 31, 2016 (Prov.) |
|------------------------------|--------------------|------------------------|
| Total operating income | 14.74 | 19.59 |
| PBILDT | 0.31 | 0.76 |
| PAT | 0.09 | 0.12 |
| Overall gearing (times) | 2.54 | 2.51 |
| Interest coverage (times) | 1.11 | 1.76 |

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

Status of non-cooperation with previous CRA: CRISIL has continued the ratings assigned to the bank facilities of AP to the 'issuer not-cooperating' category vide press release dated November 13, 2023 on account of its inability to carryout review in the absence of requisite information from the company.

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

Any other information: Not Applicable

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

Covenants of the rated instruments/facilities: Detailed explanation of the 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 | | - | - | - | 4.50 | CARE D; ISSUER NOT COOPERATING* |
| Fund-based - LT-Term Loan | | - | - | January 2024 | 0.50 | CARE D; ISSUER NOT COOPERATING* |
| Fund-based - LT-Term Loan | | - | - | February 2022 | 1.75 | CARE D; ISSUER NOT COOPERATING* |
| Fund-based - LT-Term Loan | | - | - | July 2023 | 2.25 | CARE D; 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 | 2.25 | CARE D; ISSUER NOT COOPERATING* | - | 1)CARE D; ISSUER NOT COOPERATING* (17-Aug-23) | 1)CARE D; ISSUER NOT COOPERATING* (02-Aug-22) | 1)CARE D; ISSUER NOT COOPERATING* (05-Jul-21) |
| 2 | Fund-based - LT-Cash Credit | LT | 4.50 | CARE D; ISSUER NOT COOPERATING* | - | 1)CARE D; ISSUER NOT COOPERATING* (17-Aug-23) | 1)CARE D; ISSUER NOT COOPERATING* (02-Aug-22) | 1)CARE D; ISSUER NOT COOPERATING* (05-Jul-21) |
| 3 | Fund-based - LT-Term Loan | LT | 0.50 | CARE D; ISSUER NOT COOPERATING* | - | 1)CARE D; ISSUER NOT COOPERATING* (17-Aug-23) | 1)CARE D; ISSUER NOT COOPERATING* (02-Aug-22) | 1)CARE D; ISSUER NOT COOPERATING* (05-Jul-21) |
| 4 | Fund-based - LT-Term Loan | LT | 1.75 | CARE D; ISSUER NOT COOPERATING* | - | 1)CARE D; ISSUER NOT COOPERATING* (17-Aug-23) | 1)CARE D; ISSUER NOT COOPERATING* (02-Aug-22) | 1)CARE D; ISSUER NOT COOPERATING* (05-Jul-21) |

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

LT: Long term

Annexure-3: Detailed explanation of 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 the complexity levels of the rated instruments: 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:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

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