

Emmbi Industries Limited

October 15, 2019

Ratings

Facilities	Amount (Rs. crore)	Rating ¹	Rating Action
Long-term Bank Facilities	-	-	Revised to CARE BBB+, Outlook: Stable from CARE BBB+, Outlook: Positive and Withdrawn
Short-term Bank Facilities	-	-	Reaffirmed at CARE A2 and withdrawn
Total Facilities	-		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE has revised the ratings assigned to the bank facilities from CARE BBB+; Outlook: Positive/ CARE A2 to CARE BBB+; Outlook: Stable/CARE A2 and withdrawn the outstanding ratings of 'CARE BBB+; Stable/CARE A2' [Triple B Plus; Outlook: Stable/A Two] assigned to the bank facilities of Emmbi Industries Ltd. with immediate effect. The above action has been taken at the request of Emmbi Industries Ltd. and 'No Objection Certificate' and 'No Dues Certificate' received from the banks that have extended the facilities rated by CARE.

Analytical approach: Not applicable

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the Company

Emmbi Industries Ltd (EIL, erstwhile known as Emmbi Polyarns Limited), incorporated in 1994, is engaged in the manufacturing of flexible intermediate bulk container (FIBC) / jumbo bags, woven sacks and various woven polymer-based packaging products. EIL's revenue base comprises of four segments namely specialty packaging, advance composites, water conservation and agri products which are primarily used in fast moving consumer goods (FMCG), heavy chemicals, poultry-feed, cement and fertilizers industry. Further it caters to a wide customer base spread across 51 countries with 52% of the net sales is derived from exports (majorly to USA and UK).

During FY19, EIL has reported turnover of Rs.291.54 crore as against that of Rs.257.66 crore in FY18 and PAT of Rs.17.79 crore as against that of Rs.15.27 crore in FY18

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

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

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Fund-based - LT-Term Loan	-	-	-	-	0.00	Withdrawn
Fund-based - LT-Cash Credit	-	-	-	-	0.00	Withdrawn
Fund-based - LT-Cash Credit	-	-	-	-	0.00	Withdrawn
Non-fund-based - ST-Bank Guarantees	-	-	-	-	0.00	Withdrawn
Fund-based - LT-EPC/PSC	-	-	-	-	0.00	Withdrawn

¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications

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 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Fund-based - LT-Term Loan	LT	-	-	-	1)CARE BBB+; Positive (07-Jan-19) 2)CARE BBB+; Positive (07-Apr-18)	-	1)CARE BBB+; Positive (15-Mar-17) 2)CARE BBB+ (15-Apr-16)
2.	Fund-based - LT-Cash Credit	LT	-	-	-	1)CARE BBB+; Positive (07-Jan-19) 2)CARE BBB+; Positive (07-Apr-18)	-	1)CARE BBB+; Positive (15-Mar-17) 2)CARE BBB+ (15-Apr-16)
3.	Fund-based - LT-Cash Credit	LT	-	-	-	1)CARE BBB+; Positive (07-Jan-19) 2)CARE BBB+; Positive (07-Apr-18)	-	1)CARE BBB+; Positive (15-Mar-17) 2)CARE BBB+ (15-Apr-16)
4.	Non-fund-based - ST-Bank Guarantees	ST	-	-	-	1)CARE A2 (07-Jan-19) 2)CARE A2 (07-Apr-18)	-	1)CARE A3+ (15-Mar-17) 2)CARE A3+ (15-Apr-16)
5.	Fund-based - LT-EPC/PSC	LT	-	-	-	1)CARE BBB+; Positive (07-Jan-19) 2)CARE BBB+; Positive (07-Apr-18)	-	1)CARE BBB+; Positive (15-Mar-17) 2)CARE BBB+ (15-Apr-16)

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. Investors/market intermediaries/regulators or others are welcome to write to 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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