

**SML Films Limited**  
**(Previously known as Surat Metallics Limited)**

January 23, 2020

**Ratings**

Facilities	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long-term Bank Facilities	-	-	Withdrawn
<b>Total Facilities</b>	<b>-</b>		

*Details of facilities in Annexure-1*

**Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers**

CARE has withdrawn the outstanding ratings of 'CARE BBB+; Stable; ISSUER NOT COOPERATING\* (Triple B Plus; Outlook: Stable; ISSUER NOT COOPERATING\*) assigned to the long-term bank facilities of SML Films Limited (SML) with immediate effect. The above action has been taken at the request of SML and 'No Dues Certificate' received from the lender that had extended the facilities rated by CARE.

**Analytical Approach:** Standalone

**Applicable Criteria:**

Policy on Withdrawal of ratings

**About the Company**

Incorporated in July 5, 2002, SML is promoted by Surat-based Mr. Pragnesh Jariwala and family. SML is engaged in the manufacturing of range of products such as polyester film, metallized and lacquered polyester films, metallized yarn, jari kasab and jari powder which find application in packaging (both food and non-food items) as well as textile industry. Further, SML ventured into backward integration and set-up a plant for manufacturing of BOPET films during FY12. As on December 31, 2017, SML had combined installed capacity of 99,100 metric tonne per annum (MTPA) of all products.

(Rs. Crore)

Brief Financials of SML	@ FY18 (Audited)	@ FY19 (Audited)
Total operating income	611.15	806.00
PBILDT	116.69	161.10
PAT	30.71	66.64
Overall gearing (times)	1.22	0.62
PBILDT Interest coverage (times)	9.31	18.15

@ As available from ROC/MCA database

**Status of non-cooperation with previous CRA:** Brickwork had assigned the ratings to the bank facilities of the company in February 2015. However, SML has not provided required information for carrying out a review and hence BWR has reviewed the outstanding ratings based on best available information vide its PR dated July 25, 2019.

**Any other information:** Not Applicable

**Rating History (Last three years):** Please refer Annexure-2

**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Fund-based - LT-Cash Credit	-	-	-	0.00	Withdrawn

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

\* Issuer did not cooperate; based on the 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 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-Cash Credit	LT	-	Withdrawn	1)CARE BBB+; Stable; ISSUER NOT COOPERATING* (23-Jul-19)	1)CARE BBB+; Stable; ISSUER NOT COOPERATING* (29-Mar-19)	1)CARE BBB+; Stable (22-Mar-18)	1)CARE BBB; Stable (27-Mar-17) 2)CARE BBB (14-Apr-16)
2.	Term Loan- Long Term	LT	-	-	1)Withdrawn (23-Jul-19)	1)CARE BBB+; Stable; ISSUER NOT COOPERATING* (29-Mar-19)	1)CARE BBB+; Stable (22-Mar-18)	1)CARE BBB; Stable (27-Mar-17) 2)CARE BBB (14-Apr-16)
3.	Non-fund-based - LT/ ST- Bank Guarantees	LT/S T	-	-	1)Withdrawn (23-Jul-19)	1)CARE BBB+; Stable / CARE A2; ISSUER NOT COOPERATING* (29-Mar-19)	1)CARE BBB+; Stable / CARE A2 (22-Mar-18)	1)CARE BBB; Stable / CARE A3+ (27-Mar-17) 2)CARE BBB / CARE A3+ (14-Apr-16)
4.	Non-fund-based - ST- Letter of credit	ST	-	-	-	-	-	1)Withdrawn (27-Mar-17) 2)CARE A3+ (14-Apr-16)

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

**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:

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Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

\*\*For detailed Rationale Report and subscription information, please contact us at [www.careratings.com](http://www.careratings.com)