

## SMVD Poly Pack Limited

### September 12, 2019

#### Ratings

Facilities	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long-term Bank Facilities	-	-	Revised from 'CARE BB+; Stable' to 'CARE BB; Stable' and subsequently Withdrawn
Short term Bank Facilities	-	-	Revised from 'CARE A4+' to 'CARE A4' and subsequently Withdrawn
<b>Total Facilities</b>	-		-

*Details of facilities in Annexure-1*

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

The revision in the ratings of SMVD Poly Pack Limited (SMVD) takes into account the deterioration in capital structure and elongation in operating cycle during FY19 (refers to the period April 01 to March 31).

Further, CARE has withdrawn the outstanding ratings with immediate effect. The above action has been taken as per CARE's withdrawal policy, at the request of SMVD Poly Pack Limited and 'No Objection Certificate' received from the bank that has extended the facilities rated by CARE.

**Analytical approach:** Not Applicable

#### Applicable Criteria

[Policy on Withdrawal of ratings](#)

#### About the Company

SMVD Poly Pack Limited (SMVD) was initially set up as a private limited company 'SMVD Poly Pack Private Limited' in the year 2010 by Mr. Pramod Kumar Agarwal, Mrs. Sangita Agarwal and Mr. Pawan Kumar Agarwal. Subsequently, it was converted into limited company with effect from August 22, 2017 and the name of the company changed to its present name. The company got listed on the NSE – Emerging platform on December 26, 2017. The company has been engaged in manufacturing of industrial plastic bags & fabrics. The manufacturing facility of the company is located at Srirampur, West Bengal.

Considering the huge demand of its products in the market, the company has enhanced its production capacity to 9900 metric ton per annum (MTPA) from 4500 MTPA. The expanded capacity became operational from August 2018.

Brief Financials (Rs. crore)	FY18 (A)	FY19 (A)
Total operating income	47.46	50.05
PBILDT	5.25	6.72
PAT	2.11	2.45
Overall gearing (times)	0.96	1.45
Interest coverage (times)	2.70	2.90

A: Audited

**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	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
Non-fund-based - ST-Bank Guarantees	-	-	-	0.00	Withdrawn

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and in 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 BB+; Stable (24-Aug-18)	-	-
2.	Fund-based - LT-Cash Credit	LT	-	-	-	1)CARE BB+; Stable (24-Aug-18)	-	-
3.	Non-fund-based - ST-Bank Guarantees	ST	-	-	-	1)CARE A4+ (24-Aug-18)	-	-

**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.

**Disclaimer**

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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)**