

Sundaram Multi Pap Limited

January 09, 2020

Ratings

Facilities	Amount (Rs. crore)	Ratings ¹	Rating Action
Long term Bank Facilities	-	-	Withdrawn
Total	-		

Details of instruments/facilities in Annexure I

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

CARE has withdrawn the outstanding ratings of "CARE BB-; Stable; ISSUER NOT COOPERATING*" [Double B Minus; Outlook: Stable; ISSUER NOT COOPERATING*] assigned to the Bank facilities of Sundaram Multi Pap Limited (SMPL) with immediate effect. The above action has been taken at the request of SMPL 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

Sundaram Multi Pap Limited (SMPL), incorporated in 1996, is promoted by Shah Brothers viz; Mr. Amrut Shah and Mr. Shantilal Shah. SMPL is engaged in the manufacturing of exercise books, other paper stationery products and trading of craft and sketch books. Its manufacturing facility is located at Palghar with an installed capacity of 15 crore pieces per annum. It sells its products in Maharashtra, Goa and Gujarat and has a strong distribution network with over 42 stockiest in the said region. The major raw material required is paper and duplex board and are procured primarily from West Coast Paper Mills Limited and Tamil Nadu Newsprint and Papers Limited.

In July 2009, SMPL formed a wholly owned subsidiary E-class Education System Limited (EESL). During FY09-11, the company completed the development of e- learning product (e-class) for students of standard I to X under SSC board in English and Marathi schools and started selling education content through electronic medium (pen drives, players and compatible with Android OS based tablets) in FY11.

Brief Financials (Rs. crore)	FY18 (A)	FY19 (A)
Total operating income	109.38	99.59
PBILDT	12.25	14.73
PAT	-18.85	6.60
Overall gearing (times)	0.89	0.43
Interest coverage (times)	1.31	1.63

A: Audited

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not applicable

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

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

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
Fund-based - LT-Funded Interest term Loan	-	-	-	0.00	Withdrawn

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; ISSUER NOT COOPERATING* (26-Jul-19)	1)CARE BB-; Stable (22-Nov-18) 2)CARE B+; Stable (04-Jul-18)	-	-
2.	Fund-based - LT-Cash Credit	LT	-	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (26-Jul-19)	1)CARE BB-; Stable (22-Nov-18) 2)CARE B+; Stable (04-Jul-18)	-	-
3.	Fund-based - LT-Funded Interest term Loan	LT	-	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (26-Jul-19)	1)CARE BB-; Stable (22-Nov-18) 2)CARE B+; Stable (04-Jul-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. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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About CARE Ratings:

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Disclaimer

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