Press Release

Packaging Solutions

May 06, 2019

Rating Update

Total Bank Facilities Rated*	Rs. 8.59 Cr. #
Long Term Rating	ACUITE BB- Issuer not co-operating*

 # refer Annexure for details
** The issuer did not co-operate; based on best available information.*

Acuité has reviewed long-term rating of '**ACUITE BB-**' **(read as ACUITE double B minus)** on the Rs. 8.59 crore bank facilities of PACKAGING SOLUTIONS (PS). This rating is now an indicative rating and is based on the best available information.

The Gujarat-based, PS was established in 2012 by Dr. Purvish Patel, Dr. Kanubhai Patel, Mr. Hitesh kumar Patel and others. The firm is engaged in the manufacturing of flexible packaging films and laminates i.e. plastic, blow films for food, pharma and agri industry.

Non-cooperation by the issuer/borrower

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer / borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Default Recognition -https://www.acuite.in/view-rating-criteria-17.htm
- Manufacturing Entities - https://www.acuite.in/view-rating-criteria-4.htm
- Financial Ratios And Adjustments -https://www.acuite.in/view-rating-criteria-40.htm

Limitation regarding information availability

The rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). Acuité endeavored to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

	Unit	FY18 (Actual)	FY17 (Actual)	FY16 (Actual)
Operating Income	Rs. Cr.	18.03	13.38	12.11
EBITDA	Rs. Cr.	1.35	2.27	1.51
PAT	Rs. Cr.	0.01	0.00	0.21
EBITDA Margin	(%)	7.47	16.98	12.44
PAT Margin	(%)	0.06	0.03	1.73
ROCE (%)	(%)	2.34	10.19	8.09
Total Debt/Tangible Net Worth	Times	1.12	1.69	3.18
PBDIT/Interest	Times	3.90	1.63	3.58
Total Debt/PBDIT	Times	5.91	4.27	6.36
Gross Current Assets (Days)	Days	245	297	232

Status of non-cooperation with previous CRA (if applicable)
Not Applicable

Any other information
Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
28-Feb-2018	Cash Credit	Long Term	4.00#*	ACUITE BB- / Stable (Assigned)
	Term Loan I	Long Term	2.23	ACUITE BB- / Stable (Assigned)
	Term Loan II	Long Term	2.16	ACUITE BB- / Stable (Assigned)
	Term Loan III	Long Term	0.12	ACUITE BB- / Stable (Assigned)
	Proposed	Long Term	0.08	ACUITE BB- / Stable (Assigned)

*Includes sublimit of PC/PCFC/FBP/FBD/FCBP/FCBD to the tune of Rs.1.00 crore
#includes sublimit of ILC/Buyer Credit to the tune of Rs.1.50 crore

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	4.00#*	ACUITE BB- Issuer not co-operating*
Term Loan I	Not Applicable	Not Applicable	Not Applicable	2.23	ACUITE BB- Issuer not co-operating*
Term Loan II	Not Applicable	Not Applicable	Not Applicable	2.16	ACUITE BB- Issuer not co-operating*
Term Loan III	Not Applicable	Not Applicable	Not Applicable	0.12	ACUITE BB- Issuer not co-operating*
Proposed	Not Applicable	Not Applicable	Not Applicable	0.08	ACUITE BB- Issuer not co-operating*

Includes sublimit of PC/PCFC/FBP/FBD/FCBP/FCBD to the tune of Rs.1.00 crore
#Includes sublimit of ILC/Buyer Credit to the tune of Rs.1.50 crore
**The issuer did not co-operate; Based on best available information.*

Contacts

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About Acuité Ratings & Research:
Acuité Ratings & Research Limited (Erstwhile SMERA Ratings Limited) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.