

September 04, 2015

| Facilities | Amount (Rs. Crore) | Ratings |
|----------------|-----------------------|----------------------------|
| Term Loan | 7.70** | SMERA B-/Stable (Assigned) |
| Cash Credit | 1.00* | SMERA B-/Stable (Assigned) |
| Bank Guarantee | 0.05 | SMERA A4 (Assigned) |

**Includes Buyer's Credit as a sublimit to the extent of Rs.5.10 crore

*Includes Inland/Foreign Letter of Credit as a sublimit to the extent of Rs.0.20 crore

SMERA has assigned a long term rating of '**SMERA B-**' (**read as SMERA B minus**) and a short-term rating of '**SMERA A4**' (**read as SMERA A four**) to the Rs.8.75 crore bank facilities of AMZ Packaging Private Limited (AMZ). The outlook is '**Stable**'. The ratings are constrained by the company's nascent stage of operations, modest revenues, low capital base and presence of the company in a highly competitive plastic industry. However, the ratings are supported by the company's experienced management.

Rating Sensitivity Factors

- Ability to generate adequate operating cash flows to service its debt obligations
- Ability to scale up operations while maintaining a comfortable capital structure

Outlook: Stable

SMERA believes AMZ will maintain a stable business risk profile over the medium term owing to its experienced management. The outlook may be revised to 'Positive' in case the company registers healthy scalability while achieving comfortable profit margins. Conversely, the outlook may be revised to 'Negative' in case of deterioration in the company's financial profile.

About the Company

AMZ, incorporated in 2013, is a Kolkata-based company that manufactures bottle caps and closures used in the packaging of drinking water, phenyl and edible oil. The company has been promoted by Mr. Jitendra Surana, Mr. Ankit Surana and others. AMZ commenced commercial operations from April, 2015.

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