

November 30, 2015

Facilities	Amount (Rs. Crore)	Rating
Cash Credit	5.00	SMERA BB-/Stable (Assigned)
Bank Guarantee	5.00	SMERA A4+ (Assigned)

SMERA has assigned a rating of '**SMERA BB-**' (read as SMERA double B minus) to the Rs.5.00 crore long-term fund based bank facility and '**SMERA A4+**' (read as SMERA A four plus) to the Rs. 5.00 crore short-term non-fund based bank facility of Manisha Packaging. The outlook is '**Stable**'. The ratings are supported by the firm's experienced promoters and reputed customer base - (Integrated Child Development Service) of the firm. However, the ratings are constrained by the moderate scale of operations, intense market competition in the packaging industry and tender based nature of the business. The rating is also constrained by the firm's moderate financial risk profile marked by low profitability, comfortable leverage (debt-to-equity ratio) and moderate coverage indicators.

Outlook: Stable

SMERA believes that the firm will maintain a stable business risk profile in the medium term on account of its experienced promoters. The outlook may be revised to 'Positive' in case the firm registers higher-than-expected growth in revenues, margins and net cash accruals while maintaining healthy debt protection metrics. Conversely, the outlook may be revised to 'Negative' in case the firm registers lower-than-expected growth in revenues and profitability or deterioration in the firm's financial risk profile.

Rating Sensitivity Factors

- Scaling up of operations while maintaining margins
- Management of working capital funds

About the Firm

Incorporated in 2008, MP is a Ghaziabad-based firm promoted by Mrs. Manisha Agarwal. The firm is engaged in the trading and manufacturing of pre-school kits made of plastic. The firm is also engaged in trading of plastic jars/bottles and has a factory in Ghaziabad.

For FY2014-15, MP reported net profit of Rs.0.18 crore on operating income of Rs.44.72 crore as compared to net profit of Rs.0.13 crore on operating income of Rs.20.13 crore in FY2013-14. The firm's net worth stood at Rs.3.60 crore (including unsecured loan of Rs.2.21 crore) as on March 31, 2015, as compared with Rs.4.38 crore (including unsecured loan of Rs.2.15 crore) a year earlier.

Disclaimer: A SMERA rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. SMERA ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. SMERA ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.smera.in) for the latest information on any instrument rated by SMERA.

Contact List:

Media/Business Development	Analytical Contact	Rating Desk
Antony Jose Vice President – Business Development, Mid Corporate Tel: +91-22-6714 1191 Cell: +91 9820802479 Email: antony.jose@smera.in Web: www.smera.in	Parimal Thakker Associate Vice President – Corporate Ratings Tel: +91-11-49731312 Email: parimal.thakker@smera.in	Tel: +91-22-6714 1184 Email: ratingdesk@smera.in

Disclaimer: A SMERA rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. SMERA ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. SMERA ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.smera.in) for the latest information on any instrument rated by SMERA.