

Sintex Industries Limited (SIL)

Name of the Instruments	Amount (Rs. Crore)	Rating/Outlook
Non-convertible Debentures (Proposed)	500.00	SMERA AA+ (Under Rating Watch with developing Implications)
Non-convertible Debentures	200.00	SMERA AA+ (Under Rating Watch with developing Implications)

SMERA has placed the rating of Sintex Industries Limited (SIL) on '**Rating watch with developing implications**'. The current rating is '**SMERA AA+**' (read as **SMERA double A plus**) outstanding for the Rs. 700.00 crore secured, redeemable non-convertible debentures of SIL.

SMERA has placed SIL's rating on watch, following a company announcement on September 29, 2016 about demerger of its Plastics business. However, the final details are yet to emerge. SMERA is in discussion with the management to understand the implications of the demerger on its business and financial risk profile and the consequent changes that can be expected in the business model.

About the Company

SIL, incorporated in 1931, is a Gujarat-based company engaged in the manufacture of yarn and plastic products at Kalol, Gujarat. The company is headed by Mr. Rahul Patel (Group MD), Mr. Amit Patel (Group MD), Mr. S. B. Dangayach (MD) among others. It commenced textile operations in 1931 and subsequently ventured into plastic product manufacturing in 1975.

On a consolidated basis, for FY2015-16, SIL reported net profit after tax (PAT) of Rs.628.42 crore on operating income of Rs.7,733.53 crore as against PAT of Rs.528.81 crore on operating income of Rs.7,006.61 crore.

Rating History:

Date	Name of the Instruments	Amount (Rs. Crore)	Rating		Rating Outlook
			Long Term	Short Term	
19 August 2016	Non- Convertible Debentures (Proposed)	500.00	SMERA AA+ (Assigned)	-	Stable
	Non- Convertible Debentures	200.00	SMERA AA+ (Reaffirmed)	-	Stable
26 April, 2016	Non- Convertible Debentures (Proposed)	200.00	SMERA AA+ (Assigned)	-	Stable

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ABOUT SMERA

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