

Vision Petroplast Impex LLP (VPI)

Vision Petroplast Impex LLP: Assigned

Facilities	Amount (Rs Crore)	Ratings/Outlook
Cash Credit	0.50	SMERA B/Stable (Assigned)
Letter of Credit	7.00	SMERA A4 (Assigned)
Proposed (Long Term)	0.35	SMERA B/Stable (Assigned)

SMERA has assigned long term rating of '**SMERA B**' (**read as SMERA B**) and short term rating of '**SMERA A4**' (**read as SMERA A four**) to the above mentioned bank facilities of Vision Petroplast Impex LLP (VPI). The outlook is '**Stable**'. The ratings are constrained by the limited track record of operations and highly fragmented and competitive nature of polymer industry. The ratings also factor in the small scale of operations and low profitability. However, the ratings draw support from the experience of the partners.

VPI was established in 2015 by Mr. Abhishek Jindal and Mr. Sahil Bansal. The firm has small scale of operations marked by operating income of Rs4.45 crore in FY2015-16. The profitability for FY2015-16 is low at 0.88 per cent and net profit margin stands at 0.97 per cent as on March 31, 2016. The firm registered net profit of Rs.0.04 crore for FY2015-16.

Outlook- Stable

SMERA believes VPI will maintain a stable outlook in the medium term owing to the extensive experience of the promoters. The outlook may be revised to 'Positive' in case the firm generates steady cash flows from timely receipt of customer advances. Conversely, the outlook may be revised to 'Negative' if the firm faces liquidity pressures arising from delays in receipt of customer advances.

Rating Sensitivity Factors

- Achievement of revenues as projected
- Improvement in profitability

Criteria applied to arrive at the ratings:

- Trading Entities

About The Firm

VPI was established in 2015 by Mr. Abhishek Jindal and Mr. Sahil Bansal, as founder partners at Delhi. The firm is engaged in the trading of chemical products such as polymers, PVC material, etc. Mr. Rajesh Jindal, father of Mr. Abhishek Jindal and director of Marino Cables India Private Limited (MCIL) has an experience of around 28 years in the polymers industry. The Delhi-based MCIL was established in 2007 and is engaged in the manufacturing and trading of high voltage cables.

VPI has recorded net profit of Rs.0.04 crore on operating income of Rs.4.45 crore in FY2015-16. The net worth of VPI is Rs.2.64 crore (includes unsecured, subordinated loans of Rs 2.59 crore) as on March 31, 2016.

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ABOUT SMERA

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