

Press Release

East India Packaging Private Limited (EIPPL)

February 08, 2019



Rating Update

Total Bank Facilities Rated*	Rs. 11.00 Cr.
Long Term Rating	ACUITE BB Issuer non-cooperating*

* Refer Annexure for details

Rating Rationale

Acuité has reviewed the long term rating of '**ACUITE BB**' (**read as ACUITE double B**) on the Rs. 11.00 crore bank facilities of East India Packaging Private Limited (EIPPL). This rating is now an indicative rating and is based on best available information.

East India Packaging Private Limited (EIPPL), incorporated in 2012 is engaged in the manufacturing of corrugated boxes since 2014 at Haldia (West Bengal). The company led by Mr. Sashi Kant Jhawar, Mr. Suresh Kumar Jhawar and Ms. Pinky Nahata has installed capacity of 21,600 TPA.

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-20.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 endeavoured 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	FY17(Actual)	FY16 (Actual)	FY15 (Actual)
Operating Income	Rs. Cr.	21.75	17.92	8.99
EBITDA	Rs. Cr.	3.06	1.20	0.52
PAT	Rs. Cr.	1.31	0.35	(0.53)
EBITDA Margin	(%)	14.06	6.69	5.83
PAT Margin	(%)	6.00	1.95	(5.94)
ROCE	(%)	19.31	4.53	1.67
Total Debt/Tangible Net Worth	Times	0.58	0.73	1.19
PBDIT/Interest	Times	7.15	2.26	1.43
Total Debt/PBDIT	Times	1.55	4.17	14.65
Gross Current Assets (Days)	Days	111	99	191

Status of non-cooperation with previous CRA (if applicable)

None

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
05-Dec-17	Term Loan	Long term	7.15	ACUITE BB/Stable (Assigned)
	Cash Credit	Long term	3.85	ACUITE BB/Stable (Assigned)

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Term Loan	Not Applicable	Not Applicable	Not Applicable	7.15	ACUITE BB Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	3.85	ACUITE BB Issuer not co-operating*

Contacts:

Analytical	Rating Desk
Pooja Ghosh Head- Corporate and Infrastructure Sector Tel: 033-66201203 pooja.ghosh@acuite.in	Varsha Bist Manager - Rating Desk Tel: 022-67141160 rating.desk@acuite.in
Abhishek Dey Rating Analyst Tel: 033-66201208 abhishek.dey@acuite.ratings.in	

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.

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