

Press Release
Mahika Packaging India Limited
March 19, 2024



Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	42.82	ACUITE BB+ Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	42.82	-	-

Rating Rationale

Acuite has downgraded its long-term rating to '**ACUITE BB+**' (read as **ACUITE Double B Plus**) from '**ACUITE BBB-**' (read as **ACUITE Triple B Minus**) on the Rs 42.82 crore bank facilities of Mahika Packaging India Limited (MPIL). This rating is now an indicative rating and is based on best available information and is on account of information risk .

Rationale for Downgrade

The team had sent repeated reminders to the Company for latest information; however, despite multiple requests; the Company's management has not sent the required documents for assigning the rating.

About the Company

Incorporated in 2005, Mumbai based Mahika Packaging India Limited is engaged in manufacturing of custom plastic packaging solutions across different market sectors including personal care, healthcare, chemical and household product markets Mahika Packaging India Limited current product portfolio includes dispensing caps and closures, plastic bottles, co-extruded tubes, laminated tubes, self-adhesive labels and shrink sleeves that are designed to cater to specific needs and demands of different industries. Mahika Packaging India Limited has its manufacturing facilities are located in Daman and Vapi the company has its presence in domestic as well as international markets such as Australia, the U.S.A, the Middle East, South Africa, and Turkey to name a few. The current director of company is Mr. Amit Sushil Gupta, Mr. Tapan Kumar Banerjee, Mrs. Gunjan Parun Mehra, Mr. Sushil Brijlal Gupta and Mr. Sumit Sushil Gupta

Unsupported Rating

Not Applicable

Non-cooperation by the issuer/borrower

Acuite 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 the due date. Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is therefore being flagged as "Issuer not cooperating", in line with prevailing SEBI

regulations and Acuité's policies.

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.

Rating Sensitivities

No information provided by the issuer / available for Acuite to comment upon

Liquidity Position

No information provided by the issuer / available for Acuite to comment upon

Outlook

Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 23 (Actual)	FY 22 (Actual)
Operating Income	Rs. Cr.	121.97	71.40
PAT	Rs. Cr.	9.36	2.60
PAT Margin	(%)	7.67	3.64
Total Debt/Tangible Net Worth	Times	0.82	0.88
PBDIT/Interest	Times	2.99	3.19

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
23 Dec 2022	Cash Credit	Long Term	13.00	ACUITE BBB- Stable (Reaffirmed)
	Cash Credit	Long Term	5.00	ACUITE BBB- Stable (Assigned)
	Proposed Long Term Bank Facility	Long Term	0.03	ACUITE BBB- Stable (Assigned)
	Term Loan	Long Term	6.33	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	2.38	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	5.78	ACUITE BBB- Stable (Assigned)
	Term Loan	Long Term	4.01	ACUITE BBB- Stable (Assigned)
	Term Loan	Long Term	6.29	ACUITE BBB- Stable (Reaffirmed)
27 Dec 2021	Cash Credit	Long Term	13.00	ACUITE BBB- Stable (Reaffirmed)
	Cash Credit	Long Term	2.00	ACUITE BBB- Not Applicable (Reaffirmed & Withdrawn)
	Proposed Long Term Bank Facility	Long Term	6.29	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	8.71	ACUITE BBB- Stable (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Indian Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	5.00	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB-)
Indian Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	13.00	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB-)
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	0.03	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB-)
Indian Bank	Not avl. / Not appl.	Term Loan	11 Dec 2017	10.30	31 Mar 2024	Simple	6.33	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB-)
Indian Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	2.38	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB-)
Indian Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	5.78	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB-)
Indian Bank	Not avl. / Not	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	4.01	ACUITE BB+ Downgraded Issuer not co-

	appl.							operating* (from ACUITE BBB-)
Indian Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	6.29	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB-)

Contacts

Analytical	Rating Desk
Mohit Jain Senior Vice President-Rating Operations Tel: 022-49294017 mohit.jain@acuite.in	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuite.in
Sahil Sawant Associate-Rating Operations Tel: 022-49294065 sahil.sawant@acuite.in	

About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

Disclaimer: An Acuité 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. Ratings assigned by Acuité 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, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité 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. Ratings assigned by Acuité 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.acuite.in) for the latest information on any instrument rated by Acuité. Please visit <https://www.acuite.in/faqs.htm> to refer FAQs on Credit Rating.