

Press Release

Vinayak Polymers Inc

November 15, 2019



Rating Withdrawn

Total Bank Facilities Rated*	Rs. 10.00 Cr.
Long Term Rating	ACUITE B+ (Withdrawn)
Short Term Rating	ACUITE A4 (Withdrawn)

* Refer Annexure for details

Rating Rationale

Acuité has withdrawn the long-term rating of '**ACUITE B+**' (**read as ACUITE B plus**) and the short-term rating of '**ACUITE A4**' (**read as ACUITE A four**) on the Rs. 10.00 crore bank facilities of Vinayak Polymers Inc.

The rating is being withdrawn on account of request received from the company and no due certificate received from the banker. The rating withdrawal is in accordance with Acuité's policy on withdrawal of rating.

Established in 2007 Vinayak Polymers Inc is engaged in trading of polymers such as polypropylene (PP), polyethylene (PE), and high-density polymers (HDP). The firm is associated with reputed suppliers namely GAIL (India) Limited, Indian Oil Corporation Ltd (IOCL), and Haldia Petrochemicals Ltd (HPL). It also procures from domestic traders and companies based in Korea, Taiwan, Saudi Arabia, and Iran.

Analytical Approach

Acuité has considered the standalone business and financial risk profiles of the Vinayak Polymers Inc. to arrive at this rating.

About the Rated Entity - Key Financials

	Unit	FY19 (Actual)	FY18 (Actual)	FY17 (Actual)
Operating Income	Rs. Cr.	68.45	120.14	181.79
EBITDA	Rs. Cr.	1.78	3.98	4.02
PAT	Rs. Cr.	0.55	0.55	0.54
EBITDA Margin	(%)	2.60	3.32	2.21
PAT Margin	(%)	0.81	0.46	0.30
ROCE	(%)	7.38	13.79	14.15
Total Debt/Tangible Net Worth	Times	1.72	2.14	2.70
PBDIT/Interest	Times	1.48	1.19	1.18
Total Debt/PBDIT	Times	7.81	4.44	5.55
Gross Current Assets (Days)	Days	238	161	147

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

Not Applicable

Any other information

Not Applicable

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>
- Entities in trading sector- <https://www.acuite.in/view-rating-criteria-61.htm>

Note on complexity levels of the rated instrument
<https://www.acuite.in/criteria-complexity-levels.htm>

Rating History (Up to last three years)

Date	Name of the instrument/ facilities	Term	Amount (Rs. Crore)	Ratings/ Outlook
Oct 31, 2018	Cash Credit	Long-Term	5.00	ACUITE B+/Stable (Assigned)
	Letter of credit	Short-Term	5.00	ACUITE A4 (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
Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE B+ (Withdrawn)
Letter of credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE A4 (Withdrawn)

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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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