



Press Release
Smvd Poly Pack Limited
November 22, 2023

Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	28.77	ACUITE BB- Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	28.77	-	-

Rating Rationale

Acuite has downgraded the long term rating to ‘**ACUITE BB-**’ (read as **ACUITE double B minus**) from ‘**ACUITE BB**’ (read as **ACUITE double B**) to the Rs.28.77 crore bank facilities of SMVD Polypacks Limited. The rating continues to be flagged as “Issuer Not-Cooperating” and is based on the best available information.

Rationale for Rating Downgrade:

The rating downgrade considers the decline in financial performance of SMVD Polypacks Limited in H1FY2024.

About the Company

Established in 2010 and commenced its commercial operation from 2012, SMVD Polypacks Limited is a West Bengal-based company promoted by Mr. Pramod Kumar Agarwal and Mr. Pawan Kumar Agarwal. The company is engaged in manufacturing of Polypropylene (PP) and High Density Polyethylene (HDPE) woven bags and fabrics with the installed capacity of 6000 MTPA. The company mainly caters to the chemical and fertilizer industries, minerals, steel and cement industries West Bengal & Odisha

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 Acuite’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). Acuite endeavored to gather information about the entity / industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivity

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

All covenants
None

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.	94.00	101.73
PAT	Rs. Cr.	0.27	1.05
PAT Margin	(%)	0.29	1.03
Total Debt/Tangible Net Worth	Times	1.41	1.40
PBDIT/Interest	Times	1.62	1.81

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.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
30 Nov 2022	Term Loan	Long Term	12.77	ACUITE BB (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	16.00	ACUITE BB (Downgraded and Issuer not co-operating*)
07 Sep 2021	Term Loan	Long Term	12.77	ACUITE BB+ Stable (Reaffirmed)
	Cash Credit	Long Term	16.00	ACUITE BB+ 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
Axis Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	16.00	ACUITE BB- Downgraded Issuer not co-operating*
Axis Bank	Not Applicable	Term Loan	Not available	8.60	31 Oct 2025	Simple	12.77	ACUITE BB- Downgraded Issuer not co-operating*

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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.

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