

Press Release

Harmony Plastics Private Limited

February 23, 2022



Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	0.10	-	ACUITE A4+ Downgraded Issuer not co-operating*
Bank Loan Ratings	31.90	ACUITE BB+ Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	32.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuité has downgraded the long-term rating to '**ACUITE BB+** (read as ACUITE double B plus) from '**ACUITE A-**' (read as ACUITE A minus) and the short term rating to '**ACUITE A4+** (read as ACUITE A four plus)' from '**ACUITE A1**' (read as ACUITE A one) on the Rs. 32.00 Crore bank facilities of Harmony Plastics Private Limited. The rating is flagged as "Issuer Not Cooperating" and is based on the best available information.

About the Company

Rajasthan based Harmony Plastics Private Limited was incorporated in 2005 as a joint venture between Mewar group and Alpha Protech Engineered product Inc. (USA). The company is engaged in manufacturing of PP woven fabrics (Coated and uncoated). In the year 2011 company started a new SEZ unit in Sachin (Surat) for manufacturing of disposable garments and shoe covers made from non-woven fabrics. As of now, the company have an annual capacity of 12500 MT per annum for PP fabric and 11 crore pieces per annum for disposable garments.

About the Group

Mewar group was established in 1979 by Mr. B.H. Bapna. The group currently consist of 4 companies, namely Harmony Plastics Private Limited, Mewar Polytex Limited, Plasti Weave Industry LLP and Sun Polytex Private Limited. The group is engaged in the business of manufacturing and export of polypropylene based woven and non-woven fabrics and sack bags.

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 the due date. This rating is, therefore, being flagged as "Issuer notcooperating", inline withprevailing 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 endeavored 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."

Material Covenants

None

Liquidity Position

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

Outlook

Not Applicable

About the Rated Entity - Key Financials

The rated entity has not shared the latest Financial Statements despite repeated attempts.

Status of non-cooperation with previous CRA

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.

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>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
03 Dec 2020	Term Loan	Long Term	0.39	ACUITE A- Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	1.10	ACUITE A- Stable (Reaffirmed)
	Term Loan	Long Term	1.00	ACUITE A- Stable (Reaffirmed)
	Cash Credit	Long Term	17.50	ACUITE A- Stable (Reaffirmed)
	Bank Guarantee	Short Term	0.10	ACUITE A1 (Reaffirmed)
	Term Loan	Long Term	3.55	ACUITE A- Stable (Reaffirmed)
	Term Loan	Long Term	5.61	ACUITE A- Stable (Reaffirmed)

	Term Loan	Long Term	2.75	ACUITE A- Stable (Reaffirmed)
13 Nov 2020	Term Loan	Long Term	5.61	ACUITE A- Stable (Assigned)
	Term Loan	Long Term	0.39	ACUITE A- Stable (Assigned)
	Term Loan	Long Term	2.75	ACUITE A- Stable (Assigned)
	Term Loan	Long Term	3.55	ACUITE A- Stable (Assigned)
	Proposed Bank Facility	Long Term	1.10	ACUITE A- Stable (Assigned)
	Term Loan	Long Term	1.00	ACUITE A- Stable (Assigned)
	Cash Credit	Long Term	17.50	ACUITE A- Stable (Assigned)
	Bank Guarantee	Short Term	0.10	ACUITE A1 (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
State Bank of India	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	0.10	ACUITE A4+ Downgraded Issuer not co-operating*
State Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	17.50	ACUITE BB+ Downgraded Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	1.10	ACUITE BB+ Downgraded Issuer not co-operating*
State Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	3.55	ACUITE BB+ Downgraded Issuer not co-operating*
State Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	0.39	ACUITE BB+ Downgraded Issuer not co-operating*
State Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	1.00	ACUITE BB+ Downgraded Issuer not co-operating*
State Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	5.61	ACUITE BB+ Downgraded Issuer not co-operating*
State Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	2.75	ACUITE BB+ Downgraded Issuer not co-operating*

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About Acuité Ratings & Research

Acuité Ratings & Research 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 8,850 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 KanjurMarg, Mumbai.

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