

Press Release

Canpac Trends Private Limited (Canpac)

December 11, 2017

Rating Update



| | |
|-------------------------------------|---------------------------------------|
| Total Bank Facilities Rated* | Rs. 34.69 Cr. # |
| Long Term Rating | SMERA BBB Issuer not co-operating* |
| Short Term Rating | SMERA A3 Issuer not co-operating* |

Refer Annexure for details

* The issuer did not co-operate; based on best available information.

SMERA has reviewed long-term rating of '**SMERA BBB**' (read as **SMERA triple B**) and short term rating of '**SMERA A3**' (read as **SMERA A three**) on the Rs. 34.69 crore bank facilities of Canpac Trends Private Limited (Canpac). This is an indicative rating.

Non-cooperation by the issuer/borrower

SMERA 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 required documents before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and SMERA's policies.

Applicable Criteria

- Default Recognition - <https://www.smera.in/criteria-default.htm>
- Manufacturing entities - <https://www.smera.in/criteria-manufacturing.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). SMERA endeavoured to gather information about the entity/industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information on which the indicative credit rating is based.

About the rated entity

Canpac (the erstwhile Cerium Marketing Private Limited) is an Ahmedabad-based company engaged in the manufacture of printed folded and micro flute cartons used for packaging. The company was incorporated as Venture Insurance Service Private Limited in 2004 and subsequently acquired by the current management in 2009. Canpac commenced commercial production in October, 2011. The company has a reputed and diversified customer portfolio. The overall operations are managed by Mr. Nilesh N. Todi and Mrs. Preeti N. Todi.

In FY2015-16, Canpac reported profit after tax (PAT) of Rs.6.84 crore on operating income of Rs.118.88 crore, as compared to PAT of Rs.5.11 crore on operating income of Rs.77.12 crore in the previous year.

Rating history (last three years)

| Date | Name of Instrument / Facilities | Term | Amount (Rs. Cr.) | Ratings/Outlook |
|-------------|--------------------------------------|------------|---------------------------------------|---|
| 31-Aug-2016 | External Commercial Borrowings (ECB) | Long Term | 4.96 (reduced from Rs. 9.80 crore) | SMERA BBB-/Positive (Reaffirmed) |
| | Term Loan | Long Term | 7.45 (revised from Rs. 8.16 crore) | SMERA BBB-/Positive (Reaffirmed) |
| | Cash Credit | Long Term | 21.00* | SMERA BBB-/Positive (Reaffirmed) |
| | Bank Guarantee | Short Term | 1.28 | SMERA A3 (Reaffirmed) |
| 05-Nov-2015 | External Commercial Borrowings (ECB) | Long Term | 9.80 | SMERA BBB-/ Positive (Rating Reaffirmed and outlook revised) |
| | Term Loan | Long Term | 8.16 | SMERA BBB-/ Positive (Rating Reaffirmed and outlook revised) |
| | Cash Credit | Long Term | 21.00 | SMERA BBB-/ Positive (Rating Reaffirmed and outlook revised) |
| | Bank Guarantee | Short Term | 1.28 | SMERA A3 (Reaffirmed) |
| 16-Jul-2014 | External Commercial Borrowings (ECB) | Long Term | 21.25 | SMERA BBB-/Stable (Assigned) |
| | Term Loan | Long Term | 8.51 | SMERA BBB-/Stable (Assigned) |
| | Cash Credit | Long Term | 15.00 | SMERA BBB-/Stable (Assigned) |
| | Bank Guarantee | Short Term | 0.87 | SMERA A3 (Assigned) |

#Annexure – Details of instruments rated

| Name of the Facilities | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. Cr.) | Ratings |
|------------------------|------------------|----------------|----------------|-----------------------------|------------------------------------|
| Term Loan | Not Applicable | Not Applicable | Not Applicable | 4.96 | SMERA BBB-Issuer not co-operating* |
| Term Loan | Not Applicable | Not Applicable | Not Applicable | 7.45 | SMERA BBB-Issuer not co-operating* |
| Cash Credit | Not Applicable | Not Applicable | Not Applicable | 21.00* | SMERA BBB-Issuer not co-operating* |
| Bank Guarantee | Not Applicable | Not Applicable | Not Applicable | 1.28 | SMERA A3 Issuer not co-operating* |

*The issuer did not co-operate; based on best available information.

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ABOUT SMERA

SMERA Ratings Limited is a joint initiative of SIDBI, D&B and leading public and private sector banks in India. SMERA is registered with SEBI, accredited by RBI as an External Credit Assessment Institution (ECAI), under BASEL-II norms for undertaking Bank Loan Ratings. SMERA Bond Ratings is a division of SMERA Ratings Limited responsible for ratings of bank facilities and capital market/money market debt instruments such as Bonds, Debentures, Commercial Papers, Fixed Deposits, Certificate of Deposits, etc. For more details, please visit www.smera.in.

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