

Press Release

Canpac Trends Private Limited (Canpac)

February 04, 2019

Rating Update



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

#Refer Annexure for details

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

Acuité has reviewed the long-term rating of '**ACUITE BBB-**' (read as **ACUITE triple B minus**) and short term rating of '**ACUITE A3**' (read as **ACUITE A three**) to the Rs.34.69 crore bank facilities of Canpac Trends Private Limited (Canpac). This rating is now an indicative rating and is based on best available information.

Canpac (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.

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 due date.

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

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Manufacturing Entities- <https://www.acuite.in/view-rating-criteria-4.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). 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.

About the Rated Entity - Key Financials

	Unit	FY16 (Actual)	FY15 (Actual)	FY14 (Actual)
Operating Income	Rs. Cr.	118.88	77.12	64.84
EBITDA	Rs. Cr.	19.85	15.17	12.22
PAT	Rs. Cr.	6.84	5.11	3.45
EBITDA Margin	(%)	16.69	19.67	18.85
PAT Margin	(%)	5.75	6.63	5.32
ROCE (%)	(%)	16.92	14.38	12.63
Total Debt/Tangible Net Worth	Times	1.63	1.75	1.87
PBDIT/Interest	Times	3.44	3.33	3.22

Total Debt/PBDIT	Times	2.83	3.26	3.32
Gross Current Assets (Days)	Days	136	162	154

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

None

Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
11-Dec-2017	Term Loan	Long Term	4.96	ACUITE BBB-Issuer not co-operating*
	Term Loan	Long Term	7.45	ACUITE BBB-Issuer not co-operating*
	Cash Credit	Long Term	21.00^	ACUITE BBB-Issuer not co-operating*
	Bank Guarantee	Short Term	1.28	ACUITE A3 Issuer not co-operating*
31-Aug-2016	External Commercial Borrowings (ECB)	Long Term	4.96	ACUITE BBB-/Positive (Reaffirmed)
	Term Loan	Long Term	7.45	ACUITE BBB-/Positive (Reaffirmed)
	Cash Credit	Long Term	21.00^	ACUITE BBB-/Positive (Reaffirmed)
	Bank Guarantee	Short Term	1.28	ACUITE A3 (Reaffirmed)
05-Nov-2015	External Commercial Borrowings (ECB)	Long Term	9.80	ACUITE BBB-/Positive (Rating Reaffirmed and outlook revised)
	Term Loan	Long Term	8.16	ACUITE BBB-/Positive (Rating Reaffirmed and outlook revised)
	Cash Credit	Long Term	21.00	ACUITE BBB-/Positive (Rating Reaffirmed and outlook revised)
	Bank Guarantee	Short Term	1.28	ACUITE A3 (Reaffirmed)

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

^Includes sublimit for EPC foreign bill discounting to the extent of Rs.1.50 crore, LC bill discounting to the extent of Rs.1.50 crore and Letter Of Credit to the extent of Rs.3.00 Crore

***Annexure – Details of instruments rated**

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

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

^Includes sublimit for EPC foreign bill discounting to the extent of Rs.1.50 crore, LC bill discounting to the extent of Rs.1.50 crore and Letter Of Credit to the extent of Rs.3.00 Crore

Contacts

Analytical	Rating Desk
Pooja Ghosh Head- Corporate and Infrastructure Sector Ratings Tel: 033-6620 1203 pooja.ghosh@acuite.in Abhishek Dey Analyst - Rating Operations Tel: 033-6620-1208 abhishek.dey@acuite.in	Varsha Bist Manager - Rating Desk Tel: 022-67141160 rating.desk@acuite.in

About Acuite Ratings & Research:

Acuite 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.

Disclaimer: An Acuite 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. Acuite ratings 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, Acuite, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuite 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. Acuite ratings 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 Acuite.