



Rating Rationale

Amarsai Shrink Pack Private Limited.

25th January 2017

Brickwork Ratings reaffirms the ratings for the Bank Loan Facilities of Amarsai Shrink Pack Private Limited.

Particulars

Facility Rated	Amount (Rs. Crs)		Tenure	Rating *	
	Previous	Present		Previous	Present
Fund Based Cash Credit	5.45	10.00 (5.45Existing+4.55Proposed)	Long Term	BWR BB (BWR Double B) Outlook:Stable	BWR BB (BWR Double B) Reaffirmed Outlook:Stable
Term Loan	2.69	08.00 (2.69Existing+5.31Proposed)			
Non-Fund Based Letter of Credit	1.00	2.00 (1.00Existing+1.00Proposed)	Short Term	BWR A4 (BWR A Four) Outlook:Stable	BWR A4 (BWR A Four) Reaffirmed Outlook:Stable
Total		Rs. 20.00 Crores (Rupees Twenty Crores Only.)			

^ Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

Rating Reaffirmed

BWR has principally relied upon the audited financial results of the Company up to FY16 & projections up to FY 18, publicly available information and information/clarifications provided by the Company's management.

The rating assigned to the bank facilities of Amarsai Shrink Pack Private Limited (ASPPL) positively factors extensive experience of the promoter's in the industry, diversified product and



customer portfolio and established relationships with clients. The rating is, however constrained due to relatively lesser business track record, modest scale of operations in a highly fragmented and technology-driven plastic packaging industry, susceptibility to raw material price volatility, intensely competitive industry and working capital intensive operations.

Rating Outlook: Stable

BWR believes the Amarsai Shrink Pack Private Limited. business risk profile will be maintained over the medium term. The 'Stable' outlook indicates a low likelihood of rating change over the medium term. The rating outlook may be revised to 'Positive' in case the revenues and profit show sustained improvement. The rating outlook may be revised to 'Negative' if the revenues go down and profit margins show lower than expected figures.

About the Company

Amarsai Shrink Pack Private Limited (ASPPL) was incorporated in the year 2010 by converting it into private limited company from a constitution of partnership firm. This partnership firm was established previously in the year 2006 in the name and style of Amarsai Shrink Pack by its partners. The Company is established and run by Mr. Machindra Shewale and Mrs. Sunita Shewale. Amarsai Shrink Pack Private Limited is in the domain of manufacturing, supplying, distributing, wholesaling and trading a broad array of Packaging Products. The company was established for the exclusive manufacture of PVC shrink film and reserve printed shrinks Labels. The Company manufactures premium quality packaging and labeling materials and has an installed capacity of 80tones/month.

Company Financial Performance

ASPPL revenue stood at ₹ 43.03 Crores in FY 16 as against ₹ 38.32 Crores in FY 15, showing an increment of ~ 12%. The operating profit margin and net profit margin were recorded at 10.58% and 4.09% respectively in FY 16. ASPPL has reported a profit after tax of ₹ 1.76 Cr in FY16 as against ₹ 1.55 Crores in FY 15. The Company's tangible net-worth stood at ₹10.12 Crores in FY 16.



Rating History for the last three years (including withdrawn/suspended ratings)

Sl. No.	Instrument/Facility	Current Rating (Year 2017)			Rating History		
		Type (Long Term/Short Term)	Amount (Rs Crs)	Rating	26/05/16	2015	4/03/2014
1	Cash Credit	Long Term	10.00	BWR BB	BWR BB	-	BWR BB-
2	Term Loan	Long Term	8.00	BWR BB	BWR BB	-	BWR BB-
3	Letter of Credit	Short Term	2.00	BWR A4	BWR A4	-	BWR A4

Status of non-cooperation with previous CRA (if applicable)-Reason and comments: NA

Any other information: NIL

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [Manufacturing Companies](#)
- [Short Term Debt](#)

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For print and digital media

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Note on complexity levels of the rated instrument:

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at www.brickworkratings.com/download/ComplexityLevels.pdf Investors queries can be sent to info@brickworkratings.com.

About Brickwork Ratings

Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, has also been accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a Nationalized Bank, as its promoter and strategic partner.

BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Guwahati, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 9,30,000 Cr. In addition, BWR has rated about 5000 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹19,700 Cr have been rated. Brickwork has a major presence in rating of nearly 100 cities.

DISCLAIMER

Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented “as is” without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.