

Brickwork Ratings assigns ratings BWR BB+ & BWR A4+ for the Bank Loan Facilities of Anand Duplex Limited.

Facilities Aailed	Amount to be rated (In Crs.)	Tenure	Rating Proposed
Fund Based			
FBWC	16.50*	Long Term	BWR BB+ (Pronounced BWR Double B Plus) Outlook : Stable
Term Loan	1.00		
SLC	3.00	Short Term	BWR A4+(Pronounced as BWR A Four Plus)
Non Fund based			
LC	3.00*		
BG	0.50*		
Amount to be rated	24.00	INR. Twenty Four Crore Only	

**With 100% interchangeability of NFB to FB.*

1 Please refer to BWR website www.brickworkratings.com for definition of the rating assigned.

BWR has essentially relied upon audited financial results of **Anand Duplex Limited** up to FY17, projections for FY18, publicly available information and information provided by the company.

The rating has, inter alia, factored in two decade of director's experience in the business of manufacturing of Duplex Paper, Moderate Scale of Operations, Debt Protection Metrics and tangible net worth.

The rating is however constrained by Stretched Liquidity, High Receivable and Payable days and risk of price volatility .

Key Rating Drivers

Credit Strengths

- **Experienced Directors**– The directors of the company have been involved in the business of manufacturing of Duplex Paper for more than 2 decades.
- **Moderate Scale of Operations** – The company's total operating income has increased by 13% I.e from INR 124.08 Cr in FY16 to INR 140.14 Cr in Fy17 .

- **Moderate Tangible Networth :** TNW has improved to INR30.36Crs as on March 31, 2017 from INR 26.61Crs in FY16 on account of infusion of capital of INR 0.34Cr (Including share premium of INR 0.17 Crs) and ploughing back of profits. In addition to the equity and reserves , the promoters have also infused unsecured loans of INR 9.34 Crs as on March 31,2017 (increased from INR 8.93Crs as on March 31,2016).
- **Moderate Debt Protection Metrics -** As per audited financials of FY17 ISCR and DSCR of the company stood at 3.36 X and 1.53 X respectively as compared to 2.85 X and 1.47 X as on March 31, 2016 which indicates the company's ability to meet the debt obligations timely.

Credit Weakness:

- **Stretched Liquidity :** The current ratio of the company is low at 1.23 indicating . The company need to infuse long term funds to avoid short term mismatch.
- **High Receivable and Payable days:** The company have high Receivable and payable days of 140 days and 115 days respectively in FY17 , as against 144 days and 125 days in FY16, showing marginal improvement.
- **Exposed to Volatility :** The company is exposed to waste paper prices volatility and its susceptibility to the cyclical of paper industry.

About the Company

Anand Duplex Limited ,established in 1989 is a closely held public limited company, involved in manufacturing of duplex paper . The company is based out at Village Saini Meerut UP. The management comprises of the Sh. Nikhil Vats and Sh. Daman Vats. The company's installed capacity is 60000 MTPA.

Company Financial Performance.

Key Financials			
Result Type	Limits	31/Mar/2016	31/Mar/2017
		Audited	Audited
Total Operating Income	Crs	124.08	140.14
OPBDIT	Crs	8.89	9.30
PAT	Crs	3.05	3.41
Tangible Net Worth	Crs	26.61	30.36
TOL/TNW	Times	2.16	1.96
Current Ratio	Times	1.20	1.23

Facility	Rating Assigned (2017)			Rating History		
	Tenor	Amount (Rs. Crs)	Rating	2016	2015	2014
FBWC	Long Term	16.50*	BWR BB+ (Pronounced BWR Double B Plus) Outlook : Stable	NA	NA	NA
SLC		3.00				
Term Loan		1.00				
LC	Short Term	3.00*	BWR A4+ (Pronounced as BWR A Four Plus)	NA	NA	NA
BG		0.50*				
Total		24.00				

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

* With 100% interchangeability of NFB to FB.

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

Any other information – NIL

Hyperlink/Reference to applicable Criteria

2 [General Criteria](#)

5 [Short Term Debt](#)

3 [Approach to Financial Ratios](#)

4 [Manufacturing Sector](#)

For any other criteria obtain hyperlinks from website

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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

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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.

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