

## RATING RATIONALE

12 May 2020

### Polycon International Ltd.

**Brickwork Ratings revises/reaffirms the ratings for the Bank Loan Facilities of Rs. 11.03 Crs of Polycon International Ltd. based on best available information, as the issuer did not cooperate.**

#### Particulars

Facility**	Amount (Rs. Crs)		Tenure	Rating#	
	Previous	Present		Previous(Nov 2018)	Present
Fund Based	10.78	10.78	Long Term	BWR BB-/Stable	BWR B+/Stable (Downgraded) Issuer Not Cooperating*
Non Fund Based	0.25	0.25	Short Term	BWR A4	BWR A4 (Reaffirmed) Issuer Not Cooperating*
<b>Total</b>	<b>11.03</b>	<b>11.03</b>	<b>Rupees Eleven Crores and Three Lakhs Only</b>		

# Please refer to BWR website [www.brickworkratings.com/](http://www.brickworkratings.com/) for definition of the ratings

\*Issuer did not cooperate, based on best available information.

\*\* Details of Bank Facilities is provided in Annexure - I

#### RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

In view of the non-availability of the information, non-submission of monthly statement as per regulatory requirements and lack of management cooperation, Brickwork Ratings has downgraded the long term rating from ‘BWR BB-/Stable’ to ‘BWR B+/Stable Issuer Not Cooperating’ and reaffirm the short term rating as ‘BWR A4 Issuer Not Cooperating’ for the bank loan facilities amounting to Rs. 11.03 Crs of Polycon International Ltd.

The lenders may note to exercise due caution while using the above ratings, which mentions “Issuer Not Cooperating” since the ratings lack any projections of a forward looking component as it is arrived based on the best available information on the trust without any management/ banker’s interaction.

The rating was due for a review in Nov 2019. BWR took up with the issuer to provide required information over emails and through telephone calls. Despite the best efforts of BWR to get at least the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the issuer, BWR is unable to assess the issuer’s financial performance and its ability to service its debt and maintain a valid rating.

### LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, noncooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress.

### KEY FINANCIAL INDICATORS (in (Rs. Crs) [AS AVAILABLE WITH BWR]

Key Parameters	Units	FY17
Result Type		Audited
Total Operating Income	Rs. Crs	33.74
Operating Profit	Rs. Crs	2.23
Net Profit	Rs. Crs	0.30
Tangible Networkth	Rs. Crs	7.52
Total Debt: Tangible Networkth	Times	2.87
Current Ratio	Times	1.30

### COMPANY PROFILE

Polycon International Ltd., incorporated in 1991, is a public limited company. The Company, based out of Jaipur, is promoted and managed by Baid family. It is engaged in the manufacturing and trading of PET products like PET Bottles, PET jars, PET Preforms, Caps & Lids; Water Storage Tanks and PVC Profiles & Sections etc.

### NON-COOPERATION WITH PREVIOUS RATING AGENCY: NA

### RATING HISTORY [Including withdrawal and suspended]

Facilities	Current Rating (2020)			Rating History		
	Tenure	Amount (Rs. Crs)	Rating	2019	20.11.2018	14.06.2017
Fund Based	Long Term	10.78	<b>BWR B+/Stable (Downgraded)</b> <b>Issuer Not Cooperating</b>	Not Rated	BWR BB-/Stable	BWR BB/Stable
Non Fund Based	Short Term	0.25	<b>BWR A4 (Reaffirmed)</b> <b>Issuer Not Cooperating</b>		BWR A4	BWR A4+
Total		11.03	Rupees Eleven Crores and Three Lakhs Only			



The Company was initially rated in Jan 2014 with a long term rating of BWR BB/Stable and short term rating of BWR A4+. The outstanding ratings were then reaffirmed in May 2015, May 2016 and Jun 2017, and then moved under 'Rating Not Reviewed' in Sep 2018.

The preceding rating of the Company was moved under 'Rating Not Reviewed' in Nov 2019.

## COMPLEXITY LEVELS OF THE INSTRUMENTS

For more information, visit [www.brickworkratings.com/download/ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf)

### Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [What Constitutes Non-Cooperation](#)

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## Polycon International Ltd. ANNEXURE I

### Details of Bank Facilities rated by BWR

Name of the Bank	Type of Facilities	Long Term (Rs. Crs)	Short Term (Rs. Crs)	Total (Rs. Crs)
State Bank of India	Term Loans	1.78	-	1.78
	Cash Credit	9.00	-	9.00
	WCFC - Sublimit of CC	(5.00)	-	(5.00)



	Bank Guarantee	-	0.25	0.25
<b>Total</b>				<b>11.03</b>

**Total Rupees Eleven Crores and Three Lakhs only**

**For print and digital media**

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**DISCLAIMER**

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