



## Press Release

### Asia Poly Films Industries (APFI)

June 14, 2024

#### Ratings

| Facilities                 | Amount<br>(Rs. Crore)   | Current Ratings   | Previous Ratings   | Rating Action   | <a href="#">Complexity Indicators</a> |
|----------------------------|---|---|--|---|---------------------------------------|
| Long Term Bank Facilities  | 34.96   | IVR BB/Negative<br>(ISSUER NOT COOPERATING )<br>(IVR Double B with Negative Outlook;<br>ISSUER NOT COOPERATING) | IVR BBB- /Negative;<br>ISSUER NOT COOPERATING<br>(IVR Triple B Minus with Negative Outlook;<br>ISSUER NOT COOPERATING) | Downgraded and continue under ISSUER NOT COOPERATING category | Simple                                |
| Short Term Bank Facilities | 3.00  | IVR A4<br>(ISSER NOT COOPERATING)<br>(IVR A Four: ISSUER NOT COOPERATING)                                       | IVR A3<br>ISSUER NOT COOPERATING<br>(IVR A Three; ISSUER NOT COOPERATING)  | Downgraded and continue under ISSUER NOT COOPERATING category | Simple                                |
| <b>Total</b>               | <b>37.96</b><br><b>(Rupees Thirty Seven crore and Nighty Six Lacs only)</b> |   |  |   |                                       |

*\*Issuer did not cooperate; based on best available information*

**Details of Facilities are in Annexure 1**



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### **Detailed Rationale**

The downgrade of the ratings assigned to the bank facilities of Asia Poly Films Industries reflects lack of adequate information available, non-payment of annual surveillance fees and the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The lender, investors and other market participants are thus advised to exercise appropriate caution while using this rating as this rating may not adequately reflect the credit risk profile of the entity.

### **Non-cooperation by Issuer**

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide email communications dated May 10, 2024, May 13 2024 and May 15, 2024 and concurrently over several phone calls. However, despite the repeated requests by Infomerics, the company's management has not submitted the requested information for monitoring the rating.

Availability of information is very critical in the rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to review the rating based on the best available information. Accordingly, the rating for the bank facilities of Asia Poly Films Industries aggregating Rs.37.96 crore has been continued under 'ISSUER NOT COOPERATING' category by Infomerics.

**Analytical Approach:** Standalone

### **Applicable Criteria:**

[Guidelines on what constitutes Non-Cooperation by Clients](#)

[Rating Methodology for Manufacturing Companies](#)

[Financial Ratios & Interpretation \(Non-financial Sector\)](#)

[Criteria for assigning outlook](#)



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### **About the Company**

Asia Poly Films Industries was established in 2015 as a partnership firm. It is engaged in manufacturing of BOPP films from 12 microns to 50 microns used mainly in packing and tape industry. The manufacturing plant is located at Morbi, Gujarat, with an installed capacity of 25,000 MT per annum. Mr. Dipeshbhai Patel, Mr. Kiritbhai Fultariya, Mr. Nareshbhai Fultaria, and Mr. Mansukhlal Kanjibhai Patel are the Managing Partners and take care of day-to-day operations of the firm.

### **Financials (Standalone):**

(Rs. crore)

| <b>For the year ended / As On*</b> | <b>31-03-2021<br/>(Audited)</b> | <b>31-03-2022<br/>(Provisional)</b> |
|------------------------------------|---------------------------------|-------------------------------------|
| Total Operating Income             | 232.02                          | 326.90                              |
| EBITDA                             | 33.27                           | 42.63                               |
| PAT                                | 25.70                           | 36.87                               |
| Total Debt                         | 31.77                           | 42.82                               |
| Tangible Net Worth                 | 21.28                           | 31.37                               |
| <b><u>Ratios</u></b>               |                                 |                                     |
| EBITDA Margin (%)                  | 14.34                           | 13.04                               |
| PAT Margin (%)                     | 10.90                           | 11.16                               |
| Overall Gearing Ratio (x)          | 1.77                            | 1.13                                |

\*Classification as per Infomerics' standards

**Status of non-cooperation with previous CRA: Nil**

**Any other information: Nil**



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Rating History for last three years:

| Sr. No. | Name of Instrument/Facilities           | Current Ratings (Year 2024-25) |                                |   | Rating History for the past 3 years                                |   |   |
|---------|---|--------------------------------|--------------------------------|---|--|---|---|
|         |   | Type                           | Amount outstanding (Rs. crore) | Rating  | Date(s) & Rating(s) assigned in 2023-24<br><br>(December 20, 2023) | Date(s) & Rating(s) assigned in 2022-23<br><br>(September 26, 2022) | Date(s) & Rating(s) assigned in 2021-22<br><br>(August 4, 2021) |
| 1.      | Long Term Bank Facilities – Cash Credit | Long Term                      | 19.00                          | IVR BB/<br>Negative<br>(ISSUER NOT COOPERATING) | IVR BBB-<br>/Negative<br>(ISSUER NOT COOPERATING)                  | IVR BBB/Stable  | IVR BBB-/Stable   |
| 2.      | Long Term Bank Facilities – Term Loan   | Long Term                      | 15.96                          | IVR BB/<br>Negative<br>(ISSUER NOT COOPERATING) | IVR BBB-<br>/Negative<br>(ISSUER NOT COOPERATING)                  | IVR BBB/Stable  | IVR BBB-/Stable   |
| 3.      | Bank Guarantee                          | Short Term                     | 3.00                           | IVR A4<br>(ISSUER NOT COOPERATING)              | IVR A3<br>(ISSUER NOT COOPERATING)                                 | IVR A3+   | IVR A3  |

*\*Issuer did not cooperate; based on best available information*

**Name and Contact Details of the Analytical department:**

Name: Jalaj Srivastava  
Tel: (079) 40393043  
Email: [jalaj.srivastava@infomerics.com](mailto:jalaj.srivastava@infomerics.com)



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### About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks. Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit [www.infomerics.com](http://www.infomerics.com).

**Disclaimer:** Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.



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### Annexure 1: Details of Facilities

| Name of Facility | Date of Issuance | Coupon Rate/ IRR | Maturity Date    | Size of Facility (Rs. crore) | Rating Assigned/ Outlook                 |
|------------------|------------------|------------------|------------------|------------------------------|--|
| Cash Credit      | -                | -                | -                | 19.00                        | IVR BB; Negative ISSUER NOT COOPERATING* |
| Term Loan        | -                | -                | Up to June, 2025 | 15.96                        | IVR BB; Negative ISSUER NOT COOPERATING* |
| Bank Guarantee   | -                | -                | -                | 3.00                         | IVR A4; ISSUER NOT COOPERATING*          |

*\*Issuer did not cooperate; based on best available information*

**Annexure 2: List of companies considered for consolidated analysis:** Not Applicable

**Annexure 3: Facility wise lender details:** Not available

**Annexure 4: Detailed explanation of covenants of the rated instrument/facilities:** Not Applicable

**Note on complexity levels of the rated instrument:** Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at [www.infomerics.com](http://www.infomerics.com).