



Press Release

Sivadharshini Papers Private Limited

June 01, 2023

Ratings

Facilities	Amount (Rs. crore)	Ratings	Rating Action	<u>Complexity Indicator</u>
Long Term Fund Based Facilities-Term Loan (Sanctioned)	4.50	IVR BB+/ ISSUER NOT COOPERATING/ Stable (IVR Double B Plus ISSUER NOT COOPERATING / Stable Outlook)	Revised & Moved to ISSUER NOT COOPERATING Category	Simple
Long Term Fund Based Facilities- Term Loan (Proposed)	15.75	IVR BB+/ ISSUER NOT COOPERATING / Stable (IVR Double B Plus ISSUER NOT COOPERATING / Stable Outlook)	Revised & Moved to ISSUER NOT COOPERATING Category	Simple
Long Term Fund Based Facilities- GECL I (Sanctioned)	1.93	IVR BB+/ ISSUER NOT COOPERATING / Stable (IVR Double B Plus ISSUER NOT COOPERATING / Stable Outlook)	Revised & Moved to ISSUER NOT COOPERATING Category	Simple
Long Term Fund Based Facilities- GECL II (Sanctioned)	1.23	IVR BB+/ ISSUER NOT COOPERATING / Stable (IVR Double B Plus ISSUER NOT COOPERATING / Stable Outlook)	Revised & Moved to ISSUER NOT COOPERATING Category	Simple
Long Term Fund Based Facilities- Cash Credit (Sanctioned)	9.50	IVR BB+/ ISSUER NOT COOPERATING / Stable (IVR Double B Plus ISSUER NOT COOPERATING / Stable Outlook)	Revised & Moved to ISSUER NOT COOPERATING Category	Simple
Long Term Fund Based Facilities- Cash Credit	5.50	IVR BB+/ ISSUER NOT COOPERATING / Stable	Revised & Moved to	Simple



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(Proposed)		(IVR Double B Plus ISSUER NOT COOPERATING / Stable Outlook)	ISSUER NOT COOPERATING Category	
	38.41 (Rupees Thirty- Eight Crores and Forty- One Lakhs Only)			

Detailed Rationale

The change in the ratings assigned to the bank facilities of Sivadharshini Papers Private Limited reflects lack of adequate information available about the performance of the company. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

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

Note on non-cooperation.

Though the company has initiated sharing partial information, the information requisite for the review is awaited. To comply with the SEBI guidelines on surveillance of rating within the time period, the rating is moved to the Issuer Not Cooperating category and on receipt of all the required information and clarification, a detailed rating review as per the latest financial and available information will be carried out.

Availability of information is very critical in rating exercise. In the absence of the relevant information, in consonance with SEBI guidelines, Infomerics has moved the ratings assigned to the bank loan facilities of Sivadharshini Papers Pvt Ltd aggregating to INR 38.41 crore to the 'ISSUER NOT COOPERATING' category. The rating is now denoted as IVR BB+; ISSUER NOT COOPERATING/ Stable Outlook for the long-term bank facilities.

Analytical Approach: Standalone

Applicable Criteria

[Rating Methodology for Manufacturing Company](#)



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

[Policy on Issuer not cooperating and surveillance/review of existing rating](#)

[Criteria of assigning Rating Outlook](#)

About the company

Sivadharshini Papers Private Limited, incorporated in November 2008, is a closely held company and engaged in manufacturing of kraft paper (Bursting Factor: 12-22, Grams per Square Meter: 100 to 180) in Coimbatore, Tamil Nadu. The company has manufacturing facility in Madathukulam, Coimbatore with present installed capacity of 120 tons per day. The company is managed by two directors, Mr. K Ganesan and Mrs. K Malarvizhi, having experience of more than two decade in the industry. The technical and strategic affairs in terms of production is looked after by the Managing Director Mr. K Ganesan, and Finance & Administration is being managed by Mrs. K Malarvizhi.

Financials (Standalone)*:

(INR crore)

For the year ended* / As on	31-03-2020	31-03-2021
	Audited	Audited
Total Operating Income	62.8	65.43
EBITDA	6.19	7.58
PAT	2.91	3.05
Total Debt	11.86	11.94
Tangible Net worth (Adjusted)	15.07	19.58
EBIDTA Margin (%)	9.86	11.59
PAT Margin (%)	4.63	4.65
Overall Gearing ratio (X) (Adjusted)	0.79	0.61
Total Debt	11.86	11.94

* Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: NA

Any other information: None



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Rating History for last three years:

Sr. No.	Name of Instrument/Facility	Current Rating (Year: 2023-24)			Rating History for the past 3 years		
		Type	Amount outstanding (INR Crore)	Rating*	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22 (March 23, 2022)	Date(s) & Rating(s) assigned in 2020-21
1.	Long Term Fund Based Facilities-Term Loan (Sanctioned)	Long Term	4.50	IVR BB+/ISSUER NOT COOPERATING/Stable	-	IVR BBB-/Stable	-
2.	Long Term Fund Based Facilities-Term Loan (Proposed)	Long Term	15.75	IVR BB+/ISSUER NOT COOPERATING/Stable	-	IVR BBB-/Stable	-
3.	Long Term Fund Based Facilities-GECL I (Sanctioned)	Long Term	1.93	IVR BB+/ISSUER NOT COOPERATING/Stable	-	IVR BBB-/Stable	-
4.	Long Term Fund Based Facilities-GECL II (Sanctioned)	Long Term	1.23	IVR BB+/ISSUER NOT COOPERATING/Stable	-	IVR BBB-/Stable	-
5.	Long Term Fund Based Facilities-Cash Credit (Sanctioned)	Long Term	9.50	IVR BB+/ISSUER NOT COOPERATING/Stable	-	IVR BBB-/Stable	-
6.	Long Term Fund Based Facilities-Cash Credit (Proposed)	Long Term	5.50	IVR BB+/ISSUER NOT COOPERATING/Stable	-	IVR BBB-/Stable	-
Total			38.41				

* Issuer did not cooperate; based on best available information

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About Infomerics:

Infomerics was founded in the year 1986 by a team of highly experienced and knowledgeable finance professionals. Subsequently, after obtaining Securities Exchange Board of India registration and RBI accreditation and the activities of the company are extended to External Credit Assessment Institution (ECAI).

Adhering to best International Practices and maintaining high degree of ethics, the team of knowledgeable analytical professionals deliver credible evaluation of rating.

Infomerics evaluates wide range of debt instruments which helps corporates open horizons to raise capital and provides investors enlightened investment opportunities. The transparent, robust and credible rating has gained the confidence of Investors and Banks.

Infomerics has a pan India presence with Head Office in Delhi, branches in major cities and representatives in several locations.

For more information visit 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.

Annexure 1: Details of Facilities: Not Applicable

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



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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