



Press Release

Kushal Polysacks Private Limited

June 21, 2021

Rating

Instrument / Facility	Amount (Rs. Crore)	Rating	Rating Action
Long term Bank Facilities	57.00	IVR BB-; ISSUER NOT COOPERATING* (IVR Double B Minus; Issuer Not Cooperating)	Revised and Moved to ISSUER NOT COOPERATING category
Short term Bank Facilities	15.00	IVR A4; ISSUER NOT COOPERATING* (IVR A Four; Issuer Not Cooperating)	Revised and Moved to ISSUER NOT COOPERATING category
Total	72.00 (Rs. Seventy Two crore Only)		

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

Details of Facility are in Annexure 1

Detailed Rationale

Infomerics has revised and moved the ratings assigned for the bank facilities of Kushal Polysacks Private Limited (KPPL) to 'Issuer Not Cooperating' category because of lack of adequate information and non-receipt of no default statement over the past three months from the company and hence the uncertainty around its credit risk. This apart, one of the promoters currently is in judicial custody. Infomerics assesses whether the information available about the company is commensurate with its rating and reviews the same as per its policy.

Non-cooperation by Issuer

Infomerics has been seeking information from Kushal Polysacks Private Limited (KPPL) to monitor the rating during last three months. However, despite our repeated requests, the company has not provided the requisite information for monitoring the rating. Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the ratings for the bank loan facilities of KPPL aggregating to Rs.72.00 crore shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the long term rating be noted as IVR BB-: Issuer Not Cooperating; Based on best available information (IVR Double B Minus: Issuer Not Co-



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operating; Based on best available information) and the short term rating be noted as IVR A4: Issuer Not Cooperating; Based on best available information (IVR A Four: Issuer Not Cooperating; Based on best available information) for the bank facilities.

Analytical Approach & Applicable Criteria

Standalone

Guidelines on what constitutes Non-Cooperation by clients

Financial Ratios & Interpretation (Non-Financial Sector)

About the Company

Kushal Polysacks Private Limited (KPPL), promoted by Mr. Naresh Kumar Agarwal based out of Kolkata. The company commissioned its business from October 1996 and was in manufacturing of Polypropylene (PP) and High-density polyethylene (HDPE) products. Later, since 2011, the company started operating as Del Credere Agent (DCA) of Indian Oil Corporation Limited (IOCL) for PP granules. KPPL has been awarded the Star DCA of IOCL in India. In FY15, the company had transferred the manufacturing activity to its group company Samarth Fablon Private Limited. Furthermore, since FY17, apart from DCA activities, the company has started dredging works of canals in and around West Bengal.

KPPL is part of the Kushal Bharat Group promoted by Mr. Naresh Kumar Agarwal, which has diversified business interests, comprising of cement, woven sacks, polymer distribution, iron & steel, real estate, hotel and railway engineering products.

Financials (Standalone)

(Rs. Crore)

For the year ended* / As On	31-03-2018	31-03-2019
	Audited	Audited
Total Operating Income	10.68	8.63
EBITDA	1.62	4.15
PAT	0.80	1.02
Total Debt	51.62	56.84
Tangible Net worth	12.21	13.23
EBITDA Margin (%)	15.13	48.10
PAT Margin (%)	5.97	11.33
Overall Gearing Ratio (x)	4.23	4.30

**Based on Infomerics classification*



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Status of non-cooperation with previous CRA: INC from Brickwork vide PR dated March 20, 2021 due to non-submission of information.

Any other information: Nil

Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Rating (Year 2021-22)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2020-21	Date(s) & Rating(s) assigned in 2020-21	Date(s) & Rating(s) assigned in 2019-20
1	Cash Credit	Long Term	57.00	IVR BB-; ISSUER NOT COOPERATING*	IVR BB+ / Stable (Aug 08, 2020)	IVR BB+ / Stable (July 28, 2020)	-
2	Bank Guarantee	Short Term	15.00	IVR A4; ISSUER NOT COOPERATING*	IVR A4+ (Aug 08, 2020)	-	-

* Issuer did not cooperate; based on best available information

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.

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About Infomerics:

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. Company's long experience in varied spectrum of financial services is helping it to fine tune its product offerings to best suit the market.



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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, suspend 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 Facility

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Fund Based Facilities- Cash Credit	-	-	-	57.00	IVR BB-; ISSUER NOT COOPERATING*
Short Term Non-Fund Based Facilities- Bank Guarantee	-	-	-	15.00	IVR A4; ISSUER NOT COOPERATING*

* Issuer did not cooperate; based on best available information