

## Parmar International Private Limited

Instrument	Amount In crore	Rating Action March 2016
Fund based Limits – Cash Credit	Enhanced from 3.55 to 5.00	[ICRA]BBB+ (stable) reaffirmed
Non Fund based Limits (LCs, Bill Discounting.)	Enhanced from 180.70 to 238.50	[ICRA]A2+ reaffirmed

ICRA has reaffirmed the [ICRA]BBB+ long term rating to enhanced Rs. 5.00 crore fund based limits and [ICRA]A2+ short-term rating to Rs. 238.50 crore non-fund based limits of Parmar International Private Limited (PIPL). The outlook on the long-term rating is stable.

The rating reaffirmation takes into account the healthy growth exhibited by company (2010-15 CAGR) 23.6%, improvement in profitability during FY15 and 9mFY16 (after decline in FY14) and healthy financial profile led by healthy capital structure with sustained low working capital intensity and low capex requirements of business. The rating also takes into account PIPL's established relationships with international suppliers of PVC Resins, medium to long term favorable demand scenario for import of PVC resins in India, established relationship with small and medium enterprises (SME) and pan India distribution network which acts a barrier to competitive displacement. However, the ratings are constrained by its modest scale and size, lack of revenue diversification, low profitability, susceptibility to removal of anti-dumping duty and low entry barriers for PVC resins trading business. The company profitability declined during FY14 on account of higher competitive intensity and expiry of anti-dumping duty in January 2014, though improved subsequently on account of reinstatement of Anti-dumping duty from May 2014.

Going forward, the company is expected to post healthy growth rates over the medium term; though significant increase in working capital cycle from current levels could negatively impact the capital structure and liquidity.

### Company Profile

Parmar International Private Limited was incorporated in March 2010 and took over the running business of Parmar Polymers - a proprietary concern which was into trade of Plastic raw material (PVC resin) used as raw material for manufacturing of Plastic Products from March 2010. They are mainly dealing into plastic raw material like PVC Resins, LLDPE, HDPE, HMDPE and other raw material; though 100% of the current sales are derived from PVC resins. Parmar Polymers was started by Mr. Rohit Parmar. The concern started business in 2002 as a trading firm to cater to mid-size PVC pipe manufacturers in and around Maharashtra. The company intends to focus only on PVC resins business and has pan India presence.

### Recent Results:

During FY15 and 9mFY16 (Provisional and Unaudited), the company reported Operating Income of Rs. 639.5 crore and 493.5 crore respectively and PAT of Rs. 4.5 crore and 3.4 crore respectively.

**March 2016**

*For further details, please contact:*

Analyst Contacts:

**Mr. Subrata Ray** (Tel. No. +91 22 6114 3408)  
subrata@icraindia.com

Relationship Contacts:

**Mr. L. Shivakumar**, (Tel. No. +91 22 6114 3406)  
shivakumar@icraindia.com



© Copyright, 2016, ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website [www.icra.in](http://www.icra.in) or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.

**Registered Office****ICRA Limited**

1105, Kailash Building, 11th Floor, 26, Kasturba Gandhi Marg, New Delhi 110001  
Tel: +91-11-23357940-50, Fax: +91-11-23357014

**Corporate Office****Mr. Vivek Mathur**

Mobile: **9871221122**

Email: [vivek@icraindia.com](mailto:vivek@icraindia.com)

Building No. 8, 2nd Floor, Tower A, DLF Cyber City, Phase II, Gurgaon 122002  
Ph: +91-124-4545310 (D), 4545300 / 4545800 (B) Fax; +91- 124-4050424

**Mumbai****Mr. L. Shivakumar**

Mobile: **9821086490**

Email: [shivakumar@icraindia.com](mailto:shivakumar@icraindia.com)

3rd Floor, Electric Mansion  
Appasaheb Marathe Marg, Prabhadevi  
Mumbai—400025,  
Board : +91-22-61796300; Fax: +91-22-24331390

**Kolkata****Mr. Jayanta Roy**

Mobile: **+91 9903394664**

Email: [jayanta@icraindia.com](mailto:jayanta@icraindia.com)

A-10 & 11, 3rd Floor, FMC Fortuna  
234/3A, A.J.C. Bose Road  
Kolkata—700020  
Tel +91-33-22876617/8839 22800008/22831411,  
Fax +91-33-22870728

**Chennai****Mr. Jayanta Chatterjee**

Mobile: **9845022459**

Email: [jayantac@icraindia.com](mailto:jayantac@icraindia.com)

5th Floor, Karumuttu Centre  
634 Anna Salai, Nandanam  
Chennai—600035  
Tel: +91-44-45964300; Fax: +91-44 24343663

**Bangalore****Bangalore****Mr. Jayanta Chatterjee**

Mobile: **9845022459**

Email: [jayantac@icraindia.com](mailto:jayantac@icraindia.com)

'The Millenia'  
Tower B, Unit No. 1004, 10th Floor, Level 2 12-14, 1 & 2,  
Murphy Road, Bangalore 560 008  
Tel: +91-80-43326400; Fax: +91-80-43326409

**Ahmedabad****Mr. L. Shivakumar**

Mobile: **989986490**

Email: [shivakumar@icraindia.com](mailto:shivakumar@icraindia.com)

907 & 908 Sakar -II, Ellisbridge,  
Ahmedabad- 380006  
Tel: +91-79-26585049, 26585494, 26584924; Fax:  
+91-79-25569231

**Pune****Mr. L. Shivakumar**

Mobile: **989986490**

Email: [shivakumar@icraindia.com](mailto:shivakumar@icraindia.com)

5A, 5th Floor, Symphony, S.No. 210, CTS 3202, Range  
Hills Road, Shivajinagar, Pune-411 020  
Tel: + 91-20-25561194-25560196; Fax: +91-20-  
25561231

**Hyderabad****Mr. Jayanta Chatterjee**

Mobile: **9845022459**

Email: [jayantac@icraindia.com](mailto:jayantac@icraindia.com)

4th Floor, Shobhan, 6-3-927/A&B. Somajiguda, Raj  
Bhavan Road, Hyderabad—500083  
Tel:- +91-40-40676500