

## Press Release

### Vapi Pigments Private Limited

May 08, 2019

### Rating Update



<b>Total Bank Facilities Rated*</b>	Rs. 13.00 Cr.
<b>Long Term Rating</b>	ACUITE B+ Issuer non-cooperating*
<b>Short Term Rating</b>	ACUITE A4 Issuer non-cooperating*

\* Refer Annexure for details

### Rating Rationale

Acuité has reviewed the long term rating of '**ACUITE B+**' (read as **ACUITE B plus**) and short term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.13.00 crore bank facilities of Vapi Pigments Private Limited. This rating is now an indicative rating and is based on best available information.

VPPL, a partnership firm, established in 1988 is engaged in the manufacture of chemical pigments namely, Chrome, CPC and Beta at Vapi, Gujarat. The company has installed capacity of 150 tonnes per month (Chrome pigments) and 150 tonnes (CPC and beta pigments) per month. The capacity utilisation is around 95 percent.

### Non-cooperation by the issuer/borrower:

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

### Applicable Criteria

- Default Recognition-<https://www.acuite.in/view-rating-criteria-17.htm>
- Manufacturing Entities-<https://www.acuite.in/view-rating-criteria-4.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>

### Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

### About the Rated Entity - Key Financials

	Unit	FY17(Actual)	FY16 (Actual)	FY15 (Actual)
Operating Income	Rs. Cr.	29.47	24.49	34.42
EBITDA	Rs. Cr.	1.73	1.77	2.21
PAT	Rs. Cr.	0.09	0.09	0.34
EBITDA Margin	(%)	5.87	7.23	6.42
PAT Margin	(%)	0.29	0.35	0.98
ROCE	(%)	8.10	8.74	9.78
Total Debt/Tangible Net Worth	Times	1.09	0.94	1.52
PBDIT/Interest	Times	1.76	1.51	1.68
Total Debt/PBDIT	Times	4.25	3.49	4.53
Gross Current Assets (Days)	Days	207	256	190

### Status of non-cooperation with previous CRA (if applicable)

None

### Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

### Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
23-Feb-2018	Cash Credit	Long Term	6.50	ACUITE B+/ Stable (Reaffirmed)
	Letter of Credit	Short Term	4.35	ACUITE A4 (Reaffirmed)
	Proposed Long Term	Long Term	2.15	ACUITE B+/ Stable (Reaffirmed)
01-Nov-2017	Cash Credit	Long Term	6.50	ACUITE B+ (Indicative)
	Term Loan I	Long Term	0.04	ACUITE B+ (Indicative)
	Term Loan II	Long Term	1.02	ACUITE B+ (Indicative)
	Proposed Long Term	Long Term	0.44	ACUITE B+ (Indicative)
	Letter of Credit	Short Term	5.00	ACUITE A4 (Indicative)

27-Sept-2016	Cash Credit	Long Term	6.50	ACUITE B+/ Stable (Assigned)
	Term Loan I	Long Term	0.04	ACUITE B+/ Stable (Assigned)
	Term Loan II	Long Term	1.02	ACUITE B+/ Stable (Assigned)
	Proposed Long Term	Long Term	0.44	ACUITE B+/ Stable (Assigned)
	Letter of Credit	Short Term	5.00	ACUITE A4 (Assigned)

**\*Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	6.50	ACUITE B+ Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	4.35	ACUITE A4 Issuer not co-operating*
Proposed Long Term	Not Applicable	Not Applicable	Not Applicable	2.15	ACUITE B+ Issuer not co-operating*

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**About Acuite Ratings & Research:**

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