

Press Release

Dulichand Industries

March 06, 2019



Rating Update

Total Bank Facilities Rated*	Rs. 22.00 Cr.#
Long Term Rating	ACUITE B+ Issuer not co-operating*
Short Term Rating	ACUITE A4 Issuer not co-operating*

#Refer Annexure for details

*The issuer did not co-operate; based on best available information.

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. 22.00 crore bank facilities of Dulichand Industries. This rating is now an indicative rating and is based on best available information.

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>
- Manufacture Recognition -<https://www.acuite.in/view-rating-criteria-4.htm>
- Application Of Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-40.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:

The Hyderabad-based Dulichand Industries was established by Mr. Gajanand Agarwal and Mr. Anand Agarwal in 1990. The firm is engaged in the manufacture of sunflower and cotton seed refined oil at Gagan Pahad, Hyderabad. The manufacturing capacity stands at 2000 MT per month.

About the Rated Entity - Key Financials

	Unit	FY16 (Provisional)	FY15 (Actual)	FY14 (Actual)
Operating Income	Rs. Cr.	54.07	61.42	71.62
EBITDA	Rs. Cr.	0.97	0.93	1.25
PAT	Rs. Cr.	0.28	0.22	0.22
EBITDA Margin (%)	(%)	1.79	1.52	1.75
PAT Margin (%)	(%)	0.51	0.35	0.31
ROCE (%)	(%)	9.18	8.29	10.83
Total Debt/Tangible Net Worth	Times	3.06	2.83	1.67
PBDIT/Interest	Times	1.46	1.35	1.24
Total Debt/PBDIT	Times	77	66	48
Gross Current Assets (Days)	Days	8.15	7.80	5.88

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 (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
2nd Jan 18	Cash Credit	Long Term	2.00	ACUITE B+ Issuer not co-operating*
	Letter of Credit	Short Term	20.00	ACUITE A4 Issuer not co-operating*
5th Oct 16	Cash Credit	Long Term	2.00	ACUITE B+/Stable (Assigned)
	Letter of Credit	Short Term	20.00	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	2.00	ACUITE B+ Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	20.00	ACUITE A4 Issuer not co-operating*

*The issuer did not co-operate; based on best available information.

Contacts

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (*Erstwhile SMERA Ratings Limited*) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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