

Press Release

D R Coats Ink and Resins Private Limited

July 04, 2022



Rating Downgraded & Withdrawn and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Ratings Loan	2.40	-	ACUITE A4+ Downgraded & Withdrawn Issuer not co-operating*
Bank Ratings Loan	32.60	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	35.00	-	-

Rating Rationale

Acuite has downgraded & withdrawn its long-term rating to '**ACUITE BB+**' (read as ACUITE double B plus) from 'ACUITE BBB' (read as ACUITE triple B) and short-term rating to 'ACUITE A4+' (read as ACUITE A four plus) from '**ACUITE A3+**' (read as ACUITE A three plus) on the Rs.35.00 crore bank facilities of D R Coats Ink and Resins Private Limited.

The rating withdrawal is in accordance with the Acuite's policy on withdrawal of rating. The rating is being withdrawn on account of request received from the company and NOC received from the banker. This rating is now an indicative rating and is based on best available information.

About the Company

D R Coats Ink and Resins Private Limited (DRPL) a Mumbai based company incorporated in the year 2003 is promoted by Drolia family. It is ISO 9001:2008 FQC Certified Company with over 400 Domestic and 100 International clients and recognized as star export house by the government of India. The company manufactures synthetic resins such as polyamides, ketonic resins, and epoxy resins which find applications in production of paints and ink, production of adhesives, wood polish and acrylic production. Further, the company has added a new product line for aldehyde hydrate, which is used in paints and printing. The company exports to more than 55 countries which includes USA, Australia, Africa, Middle East Countries, etc. The company imports the raw materials from China, Saudi Arabia, and Europe & USA. DRPL has two manufacturing units situated at Tarapur and Mahad, Maharashtra.

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

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 endeavored 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.

Rating Sensitivities

No information provided by the issuer / available for Acuite to comment upon.

Material Covenants

None.

Liquidity Position

No information provided by the issuer / available for Acuite to comment upon.

Outlook: Not Applicable

Key Financials:

The rated entity has not shared the latest financial statements despite repeated requests.

Status of non-cooperation with previous CRA

ICRA Ratings, vide its press release dated January 17, 2022 had denoted the rating to D R Coats Ink And Resins Private Limited as [ICRA]B+(Stable)/[ICRA]A4 (Issuer Not Cooperating) on account of lack of adequate information required for monitoring of ratings.

Any other information

None.

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
30 Sep 2021	Packing Credit	Short Term	2.00	ACUITE A3+ (Upgraded from ACUITE A3)
	Term Loan	Long Term	1.63	ACUITE BBB Stable (Upgraded from ACUITE BBB- Stable)
	Term Loan	Long Term	4.47	ACUITE BBB Stable (Upgraded from ACUITE BBB- Stable)
	Term Loan	Long Term	2.08	ACUITE BBB Stable (Upgraded from ACUITE BBB- Stable)

	Cash Credit	Long Term	21.00	ACUITE BBB Stable (Upgraded from ACUITE BBB- Stable)
	Bank Guarantee	Short Term	0.40	ACUITE A3+ (Upgraded from ACUITE A3)
	Proposed Bank Facility	Long Term	3.42	ACUITE BBB Stable (Upgraded from ACUITE BBB- Stable)
13 Aug 2020	Proposed Bank Facility	Long Term	8.90	ACUITE BBB- Stable (Reaffirmed)
	Cash Credit	Long Term	21.00	ACUITE BBB- Stable (Reaffirmed)
	Packing Credit	Short Term	2.00	ACUITE A3 (Reaffirmed)
	Bank Guarantee	Short Term	0.40	ACUITE A3 (Reaffirmed)
	Term Loan	Long Term	2.70	ACUITE BBB- Stable (Reaffirmed)
20 Jun 2019	Buyers Credit	Short Term	9.00	ACUITE A3 (Withdrawn)
	Bank Guarantee	Short Term	0.40	ACUITE A3 (Reaffirmed)
	Term Loan	Long Term	3.11	ACUITE BBB- Stable (Reaffirmed)
	Packing Credit	Short Term	2.00	ACUITE A3 (Reaffirmed)
	Proposed Bank Facility	Long Term	6.49	ACUITE BBB- Stable (Reaffirmed)
	Cash Credit	Long Term	21.00	ACUITE BBB- Stable (Reaffirmed)
28 Mar 2018	Cash Credit	Long Term	12.00	ACUITE BBB- Stable (Assigned)
	Term Loan	Long Term	4.17	ACUITE BBB- Stable (Assigned)
	Packing Credit	Short Term	2.00	ACUITE A3 (Assigned)
	Bank Guarantee	Short Term	0.40	ACUITE A3 (Assigned)
	Buyers Credit	Short Term	9.00	ACUITE A3 (Assigned)
	Proposed Bank Facility	Long Term	5.43	ACUITE BBB- Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Bank of Baroda	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	0.40	ACUITE A4+ Downgraded & Withdrawn Issuer not co-operating*
Bank of Baroda	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	21.00	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating*
Bank of Baroda	Not Applicable	PC/PCFC	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4+ Downgraded & Withdrawn Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	3.42	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating*
Bank of Baroda	Not Applicable	Term Loan	01-06-2020	7.50	01-06-2022	1.63	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating*
Bank of Baroda	Not Applicable	Term Loan	21-10-2020	7.50	21-10-2024	4.47	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating*
Bank of Baroda	Not Applicable	Term Loan	01-07-2016	10.10	01-07-2023	2.08	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating*

Contacts

Analytical	Rating Desk
Aditya Gupta Vice President-Rating Operations Tel: 022-49294041 aditya.gupta@acuite.in Radhika Kolwankar Junior Analyst-Rating Operations Tel: 022-49294065 radhika.kolwankar@acuite.in	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuite.in

About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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