



**Press Release**  
**INA India Limited**  
**July 27, 2023**

**Rating Reaffirmed and Issuer not co-operating**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	30.00	ACUITE D   Reaffirmed   Issuer not co-operating*	-
Bank Loan Ratings	10.00	-	ACUITE D   Reaffirmed   Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	40.00	-	-

**Rating Rationale**

Acuite has reaffirmed the long-term rating of '**ACUITE D' (read as ACUITE D)** and short term rating of '**ACUITE D' (read as ACUITE D)** on the Rs. 40.00 crore bank facilities of INA India Limited (IIL). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

**About the Company**

Delhi based- Incorporated in 1956, INA India Limited (IIL) is a public limited company engaged in manufacturing of formaldehyde. It is led by its Managing Director, Mr. Neeraj Chhabra along with other Directors. The company has a capacity of producing formaldehyde at 180 tonnes per day and finished goods storage of 800 tonnes capacity. It caters to states like Andhra Pradesh, Tamil Nadu, Pondicherry, Kerala and Karnataka.

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

Acuite 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.

Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite'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). Acuite endeavored to gather information about the entity/industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

**Rating Sensitivity**

"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.

**Other Factors affecting Rating**

Not Applicable.

## Key Financials

Particulars	Unit	FY 22 (Actual)	FY 21 (Actual)
Operating Income	Rs. Cr.	55.48	36.13
PAT	Rs. Cr.	0.24	(4.76)
PAT Margin	(%)	0.43	(13.18)
Total Debt/Tangible Net Worth	Times	3.80	3.94
PBDIT/Interest	Times	1.21	(0.03)

### Status of non-cooperation with previous CRA

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.

### Applicable Criteria

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

### Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuité's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on [www.acuite.in](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
03 May 2022	Proposed Bank Facility	Long Term	3.36	ACUITE D ( Issuer not co-operating*)
	Letter of Credit	Short term	10.00	ACUITE D ( Issuer not co-operating*)
	Cash Credit	Long Term	25.00	ACUITE D ( Issuer not co-operating*)
	Term Loan	Long Term	0.08	ACUITE D ( Issuer not co-operating*)
	Term Loan	Long Term	1.56	ACUITE D ( Issuer not co-operating*)
29 Jan 2021	Term Loan	Long Term	1.56	ACUITE D (Issuer not co-operating*)
	Proposed Bank Facility	Long Term	3.36	ACUITE D (Issuer not co-operating*)
	Letter of Credit	Short Term	10.00	ACUITE D (Issuer not co-operating*)
	Term Loan	Long Term	0.08	ACUITE D (Issuer not co-operating*)
	Cash Credit	Long Term	25.00	ACUITE D (Issuer not co-operating*)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Union Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	25.00	ACUITE D   Reaffirmed   Issuer not co-operating*
Union Bank of India	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	Simple	10.00	ACUITE D   Reaffirmed   Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	Simple	3.36	ACUITE D   Reaffirmed   Issuer not co-operating*
Union Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	0.08	ACUITE D   Reaffirmed   Issuer not co-operating*
Union Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	1.56	ACUITE D   Reaffirmed   Issuer not co-operating*

## Contacts

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### 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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