



Press Release
ACCURA INKS PRIVATE LIMITED
August 05, 2025
Rating Assigned and Upgraded

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	7.21	ACUITE BB- Stable Assigned	-
Bank Loan Ratings	20.52	ACUITE BB- Stable Upgraded	-
Total Outstanding Quantum (Rs. Cr)	27.73	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuité has upgraded its long-term rating to ‘**ACUITE BB-’** (read as **ACUITE double B minus**) from ‘**ACUITE B+’** (read as **ACUITE B plus**) on the Rs.20.52 Cr. bank facilities of Accura Inks Private Limited (AIPL). The outlook remains ‘**Stable**’.

Further, Acuite has assigned its long-term rating of ‘**ACUITE BB-’** (read as **ACUITE double B minus**) on the Rs. 7.21 Cr. bank facilities of Accura Inks Private Limited (AIPL). The outlook is ‘**Stable**’.

Rationale for upgrade

The rating upgrade takes into account the improvement in the operational and financial performance of AIPL in FY2025 which is largely driven through presence of its strong promoter group. However, the rating remains constrained with modest scale of operations and intensive working capital operations of the company.

About the Company

Incorporated in 2014, AIPL is a Gujarat-based company promoted by the Kanoria family. The company is engaged in manufacturing of gravure inks used for printing. The company has its manufacturing facility located at Silvassa, Dadra and Nagar Haveli. The directors of the company are Mr. Rishav Saket Kanoria, Mr. Arvind Makhan Lal Shah and Mr. Vivek Ramesh Dave.

Unsupported Rating

Not applicable

Analytical Approach

Acuité has considered the standalone business and financial risk profiles of AIPL to arrive at this rating.

Key Rating Drivers

Strengths

Strong promoter group

AIPL shares common promoter shareholding with TCPL Packaging Limited (TCPL), one of the leading packaging companies in India. Also, nearly 97% of AIPL’s FY2025 revenue (99% of FY2024 revenue) was derived from sales of inks to TCPL. Further, the promoter’s experience in printing & packaging in TCPL has helped in the growth of AIPL’s business over the years.

Moderate financial risk profile

The moderate financial risk profile of AIPL is supported by low but improving networth, low gearing and adequate debt protection metrics. The networth improved to Rs. 36.57 Cr. on March 31, 2025 (Est.) from Rs. 27.86 Cr. on March 31, 2024 on account of accretion of profits to reserves. The gearing continues to remain below unity at

0.76 times in FY2025 (Est.) (0.85 times in PY). While the debt service coverage indicators were impacted in FY2024 (0.88 times) due to inadequate cash accruals and managed through working capital adjustment, the same improved to 1.78 times in FY2025 (Est.). Further, the interest coverage remained comfortable at 6.61 times in FY2025 (Est.) (3.30 times in PY).

Going forward, the financial risk profile is expected to remain on similar lines on account of no significant debt funded capex in the near term.

Weaknesses

Modest scale of operations

The revenues of the company though improved to Rs. 54.89 Cr. in FY2025 (Est.) from Rs. 38.36 Cr. in FY2024, the operations remain modest majorly due to revenue concentration to TCPL. Therefore, the company's ability to diversify its customer base shall be a key rating sensitivity. Moreover, the operating margin improved to ~28.06 percent in FY2025 (Est.) as against 21.12 percent in FY2024 on account of stabilization in the raw material prices, which had increased in the past few years on account of global supply chain disruptions.

Intensive working capital operations

The operations of AIPL are working capital intensive as evident from GCA (gross current asset) days of 130 day in FY2025 (Est.) from 66 days in FY2024. These are primarily driven by inventory days which stood at 62 days (43 days in PY) in FY2025 (Est.). Further, while the debtors days remain low in the range of 5 - 13 days, the creditor days reduced to 13 days in FY2025 (Est.) as against 58 days in FY2024. Therefore, the bank limit utilization stood moderate at ~62 percent for the last six months ended June 2025.

Volatility in raw material prices

Pigments and solvents serve as the primary raw materials for AIPL and volatility in their market price may impact the production costs. Further, the company is also involved in imports which exposes it to the global supply chain disruptions and elevated freight costs, which can further affect the profitability of the company, as evident when the EBITDA margins had declined in FY2022 (18.32 percent) as compared to FY2021 (26.65 percent).

Rating Sensitivities

- Continued growth in operating performance with customer diversification.
- Restriction in further elongation of working capital cycle.
- Deterioration in financial risk profile leading to stretch in liquidity position.

Liquidity Position

Adequate

AIPL is estimated to have generated net cash accruals of Rs. 10.41 Cr. in FY2025 (Est.) against maturing repayment obligations of Rs. 4.81 Cr. Going forward, NCAs are expected to remain in the range of Rs. 10.0 – 12.0 Cr. against maturing repayments of Rs. 4.30 Cr. in FY2026 and FY2027. The current ratio stood moderate at 1.02 times in FY2025 (Est). Further, the company's reliance on working capital limits stood at ~62 percent for the last six months ended June 2025. The company had an unencumbered cash and bank balance of Rs. 0.02 Cr. on March 31, 2025 (Est.).

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 24 (Actual)	FY 23 (Actual)
Operating Income	Rs. Cr.	38.36	34.50
PAT	Rs. Cr.	2.58	2.33
PAT Margin	(%)	6.71	6.76
Total Debt/Tangible Net Worth	Times	0.85	1.09
PBDIT/Interest	Times	3.35	4.38

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

Not Applicable

Any other information

None

Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.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.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook	
07 May 2024	Term Loan	Long Term	10.48	ACUITE B+	Stable (Reaffirmed)
	Secured Overdraft	Long Term	3.00	ACUITE B+	Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	0.02	ACUITE B+	Stable (Reaffirmed)
	Term Loan	Long Term	7.02	ACUITE B+	Stable (Reaffirmed)
07 Feb 2023	Term Loan	Long Term	11.98	ACUITE B+	Stable (Reaffirmed)
	Secured Overdraft	Long Term	1.50	ACUITE B+	Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	3.95	ACUITE B+	Stable (Reaffirmed)
	Term Loan	Long Term	3.09	ACUITE B+	Stable (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Axis Bank	Not avl. / Not appl.	Dropline Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	4.00	Simple	ACUITE BB- Stable Assigned
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.72	Simple	ACUITE BB- Stable Upgraded (from ACUITE B+)
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.21	Simple	ACUITE BB- Stable Assigned
Not Applicable	Not avl. / Not appl.	Proposed Long Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	3.00	Simple	ACUITE BB- Stable Assigned
Axis Bank	Not avl. / Not appl.	Secured Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	7.00	Simple	ACUITE BB- Stable Upgraded (from ACUITE B+)
Axis Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	31 Mar 2027	3.81	Simple	ACUITE BB- Stable Upgraded (from ACUITE B+)
Axis Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	31 Jan 2033	8.99	Simple	ACUITE BB- Stable Upgraded (from ACUITE B+)

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About Acuité Ratings & Research

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