



Press Release
RESOL VINYL AND CHLORIDES LIMITED
December 15, 2025
Rating Assigned and Reaffirmed

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	10.00	ACUITE BBB Stable Reaffirmed	-
Bank Loan Ratings	61.00	-	ACUITE A2 Assigned
Bank Loan Ratings	290.00	-	ACUITE A2 Reaffirmed
Total Outstanding Quantum (Rs. Cr)	361.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE BBB**' (read as **ACUITE triple B**) and the short-term rating of '**ACUITE A2**' (read as **ACUITE A Two**) on the Rs. 300.00 Cr. bank facilities of Resol Vinyls and Chlorides Limited. The outlook is '**Stable**'.

Acuite has assigned the short-term rating of '**ACUITE A2**' (read as **ACUITE A two**) on the Rs. 61.00 Cr. bank facilities of Resol Vinyls and Chlorides Limited.

Rationale for rating

The rating reaffirmation takes into account the improved operating revenue in FY2025, moderate financial risk profile, and adequate liquidity position of company. The operating income has shown ~61.19 percent YOY growth in FY2025 as compared to the previous year, which stood at Rs.879.57 Cr. in FY2025 as against Rs. 545.67 Cr. in FY2024 with the operating margins stood at 1.65 percent in FY2025 vis-à-vis 1.80 percent in FY2024. The rating also draws comfort from a moderate financial risk profile. However, the rating remains constrained by intense competition, susceptibility of margins to fluctuation in the price of the products.

About the Company

Resol Vinyls and Chlorides Limited was incorporated on July 5, 2005, by Mr. Krishan Kumar Bansal, located in New Delhi. Currently, the company is being managed by Mr. Krishan Kumar Bansal, Mr. Parth Dodeja and Mr. Vijay Rawal. It is involved in the wholesale trading of polymers and resins. The company procures products like PVC resin, PU, EVA, LLDPE, LDPE, DOP, DINP, melamine, phthalic anhydride, etc. and other polymer products from international markets, i.e., Taiwan, South Korea, China, Japan, Singapore, Malaysia, Hong Kong, Dubai, Thailand, etc. These products are mainly used in industries like footwear, PVC pipe and fittings, PVC doors and windows, PVC flooring, artificial leather, PVC flex, plastic toys, and many other similar types of products.

Unsupported Rating

Not Applicable

Analytical Approach

Acuité has considered the standalone business and financial risk profile of Resol Vinyls and Chlorides Limited to arrive at this rating.

Key Rating Drivers

Strengths

Experienced Management

The promoters of the company have been in the polymer trading business for a long time and have more than a decade of experience in the industry. The management has gained valuable experience since the inception of the company and has developed strong relationships with customers and suppliers. This has enabled them to navigate the market and helped grow the company to the scale it is presently operating at. Going forward, the company will benefit from the relationships fostered by the management and be able to grow on a sustainable basis.

Increase in scale of operations

The company has witnessed the growth in the revenue from operations by ~61.19% which stood at Rs. 879.57 Cr. in FY25 against Rs. 545.67 Cr. in FY24. The improvement in revenue is due to increase in the volume sales. Operating margin of the company stood at 1.65% in FY25 against 1.80% in FY24. Additionally, the Net margin stood at 0.96% in FY25 against 0.83% in FY24. Company has achieved the revenue of Rs. 413.45 Cr. in H1FY26. Acuite believes that going forward, the company would be able to improve its business risk profile backed by geographical diversification and extensive experience companies in polymer trading with an established relationship with customers and global suppliers.

Moderate financial risk profile

The company has moderate financial risk profile marked by a total tangible net worth stood at Rs. 79.63 Cr. as on 31st March 2025 against Rs. 57.95 Cr. as on 31st March 2024, increase in net worth is on account of profit accretion and infusion of funds by promoters. Debt to Equity ratio stood at 2.03 times in FY25 against 0.88 times in FY24. Interest coverage ratio stood at 2.92 times for FY25 as against 2.26 times in FY24. Debt Service coverage ratio stood at 2.30 times for FY25 as against 1.96 times in FY24. The Total outside Liabilities/Tangible Net Worth (TOL/TNW) stood at 3.20 times as on March 31, 2025 as against 2.42 times as on March 31, 2024. The company is planning capex of around Rs. 40 Cr. in future to establish a manufacturing facility for PVC products, which will be funded through a mix of external debt and internal accruals. Acuite believes that financial risk profile of the group is expected to remain in the same range in near to medium term despite the presence of debt-funded capex.

Weaknesses

Intensive working capital operations

The working capital operations of the company is intensive marked by GCA days which stood at 115 days in FY25 against 112 days in FY24. The inventory days of the company stood at 65 days in FY25 against 75 days in FY24 and debtor days of the company stood at 27 days in FY25 against 28 days in FY24. Creditor days stood at 39 days in FY25 against 56 days in FY24. Going forward, the working capital operations of the company is expected to remain at similar level over the medium term.

Susceptibility of margins to Price Volatility of crude oil

The product that the company is dealing in, i.e., PVC resin, is highly volatile since it is a derivative of crude oil. The fluctuation in the price of the product is affecting the profitability margins of the company.

Rating Sensitivities

- Movement in scale of operations and profitability
- Movement in working capital operations

Liquidity Position**Adequate**

The liquidity profile of the company is adequate. The net cash accruals of company stood at Rs. 8.86 Cr. in FY25 against the debt obligation of Rs. 0.44 Cr. for the same period. Current ratio stood at 1.14 times for FY25 against 1.24 times in FY24. The company has cash & bank position of Rs. 14.57 Cr. and unencumbered bank deposits stood at Rs.13.85 Cr. as on 31st March 2025. The average fund-based bank limit utilization is at 11.78% and non-fund based bank limit utilization is at 71.49% for the 12 months' period ending October 2025. Acuité believes that the liquidity position of the company will remain adequate on account of steady net cash accruals against matured debt obligations albeit debt funded capex plans over the medium term.

Outlook: Stable**Other Factors affecting Rating**

None

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	879.57	545.67
PAT	Rs. Cr.	8.43	4.53
PAT Margin	(%)	0.96	0.83
Total Debt/Tangible Net Worth	Times	2.03	0.88
PBDIT/Interest	Times	2.92	2.26

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>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Trading Entities: <https://www.acuite.in/view-rating-criteria-61.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite'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
17 Sep 2024	Letter of Credit	Short Term	49.00	ACUITE A2 (Assigned)
	Letter of Credit	Short Term	70.00	ACUITE A2 (Reaffirmed)
	Letter of Credit	Short Term	5.00	ACUITE A2 (Reaffirmed)
	Letter of Credit	Short Term	10.30	ACUITE A2 (Assigned)
	Letter of Credit	Short Term	32.00	ACUITE A2 (Reaffirmed)
	Letter of Credit	Short Term	15.00	ACUITE A2 (Assigned)
	Letter of Credit	Short Term	18.00	ACUITE A2 (Assigned)
	Letter of Credit	Short Term	30.00	ACUITE A2 (Assigned)
	Proposed Short Term Bank Facility	Short Term	63.70	ACUITE A2 (Assigned)
	Cash Credit	Long Term	3.00	ACUITE BBB Stable (Reaffirmed)
	Cash Credit	Long Term	1.00	ACUITE BBB Stable (Assigned)
	Working Capital Demand Loan (WC DL)	Long Term	2.00	ACUITE BBB Stable (Assigned)
	Cash Credit	Long Term	1.00	ACUITE BBB Stable (Assigned)
19 Aug 2024	Letter of Credit	Short Term	70.00	ACUITE A2 (Upgraded from ACUITE A3+)
	Letter of Credit	Short Term	5.00	ACUITE A2 (Upgraded from ACUITE A3+)
	Letter of Credit	Short Term	32.00	ACUITE A2 (Upgraded from ACUITE A3+)
	Cash Credit	Long Term	3.00	ACUITE BBB Stable (Upgraded from ACUITE BBB- Stable)
30 May 2023	Letter of Credit	Short Term	59.00	ACUITE A3+ (Reaffirmed)
	Letter of Credit	Short Term	21.00	ACUITE A3+ (Reaffirmed)
	Letter of Credit	Short Term	26.00	ACUITE A3+ (Reaffirmed)
	Cash Credit	Long Term	4.00	ACUITE BBB- Stable (Reaffirmed)
12 Apr 2022	Letter of Credit	Short Term	30.00	ACUITE A3+ (Assigned)
	Letter of Credit	Short Term	25.00	ACUITE A3+ (Assigned)
	Letter of Credit	Short Term	16.00	ACUITE A3+ (Assigned)
	Proposed Letter of Credit	Short Term	24.00	ACUITE A3+ (Assigned)
	Cash Credit	Long Term	3.00	ACUITE BBB- Stable (Assigned)
		Long		

	Cash Credit	Term	4.00	ACUITE BBB- Stable (Assigned)
	Proposed Cash Credit	Long Term	8.00	ACUITE BBB- Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
INDUSIND BANK LIMITED	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	3.00	Simple	ACUITE BBB Stable Reaffirmed
AXIS BANK LIMITED	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.00	Simple	ACUITE BBB Stable Reaffirmed
YES BANK LIMITED	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.00	Simple	ACUITE BBB Stable Reaffirmed
KOTAK MAHINDRA BANK LIMITED	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	3.00	Simple	ACUITE BBB Stable Reaffirmed
CSB Bank Limited	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.00	Simple	ACUITE BBB Stable Reaffirmed
CSB Bank Limited	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.00	Simple	ACUITE A2 Reaffirmed
THE FEDERAL BANK LIMITED	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	30.00	Simple	ACUITE A2 Reaffirmed
KOTAK MAHINDRA BANK LIMITED	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	47.00	Simple	ACUITE A2 Reaffirmed
DBS Bank Ltd	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	30.00	Simple	ACUITE A2 Reaffirmed
YES BANK LIMITED	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	30.00	Simple	ACUITE A2 Reaffirmed
H D F C Bank Limited	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	70.00	Simple	ACUITE A2 Reaffirmed
INDUSIND BANK LIMITED	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	47.00	Simple	ACUITE A2 Reaffirmed
AXIS BANK LIMITED	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	35.00	Simple	ACUITE A2 Reaffirmed
	Not			Not	Not			

DBS Bank Ltd	avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	avl. / Not appl.	avl. / Not appl.	6.00	Simple	ACUITE A2 Assigned
KOTAK MAHINDRA BANK LIMITED	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	22.00	Simple	ACUITE A2 Assigned
CSB Bank Limited	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	33.00	Simple	ACUITE A2 Assigned
THE FEDERAL BANK LIMITED	Not avl. / Not appl.	Working Capital Demand Loan (WC DL)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.00	Simple	ACUITE BBB Stable Reaffirmed

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