

January 18, 2022

Drychem Solutions Private Limited: Ratings withdrawn

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term-Term Loan	14.00	14.00	[ICRA]A-(Stable); Withdrawn
Long-term-Fund-based Limits	12.00	12.00	[ICRA]A-(Stable); Withdrawn
Short-term-Interchangeable Limits	(5.00)*	(5.00)*	[ICRA]A2+; Withdrawn
Long-term-Interchangeable Limits	(4.00)*	(4.00)*	[ICRA]A-(Stable); Withdrawn
Total	26.00	26.00	

[^]Instrument details are provided in Annexure-1

*sub-limit of cash credit limits

Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of Drychem Solutions Private Limited (DSPL or the company) based on the no-objection certificate from the banker and in accordance with ICRA's policy on withdrawal of credit rating. However, ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed. The Key Rating Drivers, Liquidity Position, Rating Sensitivities, Key financial indicators have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click Here](#)

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA Policy on Withdrawal of Credit Ratings Corporate Credit Rating Methodology
Parent/Group Support	NA
Consolidation/Standalone	For arriving at the rating of DSPL, ICRA has taken a consolidated view of DSPL and its Group companies, VDPL, WPPL and MDPL. The list of entities forming part of the consolidated financials is enlisted in Annexure-2.

About the company

The Walplast Group is engaged in manufacturing white and grey cement based products and has various manufacturing facilities across western, southern and central parts of the country. The Group undertakes manufacturing of white and grey cement products for other companies as well as sells them under its own brand name. It has an installed manufacturing capacity of 20.08 lakh MTPA.

DSPL is engaged in manufacture of grey-cement based cement. It also acts as an agent for the Group for chemical and white cement purchase. Miraj Drymix Private Limited (MDPL) is engaged in manufacture of wall putty for Asian Paints Limited (APL). Viwa Drymix Private Limited (VDPL) manufactures wall putty and other white cement based products for reputed companies such as Kansai Nerolac Paints Limited, Berger Paints India Limited, Pidilite Industries Limited, among others. Walplast Products Private Limited (WPPL) manufactures white as well as grey cement-based building materials, comprising pre-mixed plaster, wall putty and other construction materials such as water proof plasters, tile adhesives, crack fillers, and texture and sells in its own brand name - Walplast.

Status of non-cooperation with previous CRA: Not Applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2022)				Chronology of Rating History for the past 3 years			
		Type	Amount Rated (Rs. crore)	Amount Outstanding	Date & Rating on	Date & Rating in 2021	Date & Rating in 2020	Date & Rating in 2019	Date & Rating in 2018
					January 18, 2022	January 08, 2021			
1	Term Loan	Long -term	14.00	10.78*	[ICRA]A-(Stable); Withdrawn	[ICRA]A-(Stable)	-	-	-
2	Cash Credit	Long -term	12.00		[ICRA]A-(Stable); Withdrawn	[ICRA]A-(Stable)			
3	Interchangeable Limits	Short-term	(5.00)**		[ICRA]A2+; Withdrawn	[ICRA]A2+			
4	Interchangeable Limits	Long -term	(4.00)**	-	[ICRA]A-(Stable); Withdrawn	[ICRA]A-(Stable)	-	-	-

*as on March 31, 2020, **sub-limit of cash credit limits

Complexity level of the rated instrument

Instrument	Complexity Indicator
Long-term - Term Loan	Simple
Long-term – Fund-based	Simple
Short-term – Interchangeable	Simple
Long-term – Interchangeable	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: www.icra.in

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Cash Credit	-	-	-	12.00	[ICRA]A-(Stable); Withdrawn
NA	Term Loans	July 2019/Sep 2019	8.50%-9.10%	March, 2025	14.00	[ICRA]A-(Stable); Withdrawn
NA	Short-term – Interchangeable Limits	-	-	-	(5.00)*	[ICRA]A2+; Withdrawn
NA	Long-term – Interchangeable Limits	-	-	-	(4.00)*	[ICRA]A-(Stable); Withdrawn

*sub-limit of cash credit limits

Annexure-2: List of entities considered for consolidated analysis

Company Name	Ownership	Consolidation Approach*
Viwa Drymix Private Limited	-	Full Consolidation
Miraj Drymix Private Limited	-	Full Consolidation
Walplast Products Private Limited	-	Full Consolidation

*Consolidated view is based on common management, strong operational as well as financial linkages and corporate guarantee extended.

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