

May 22, 2024

D.R. Coats Ink & Resins Private Limited: Continues to remain under issuer Non-Cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Cash Credit	12.00	12.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING*. Rating Continues to remain under the 'Issuer Not Cooperating' category.
Long Term-Fund Based-Term Loan	1.04	1.04	[ICRA]B+(Stable); ISSUER NOT COOPERATING*. Rating Continues to remain under the 'Issuer Not Cooperating' category.
Short Term-Non-Fund Based-Others	9.40	9.40	[ICRA]A4; ISSUER NOT COOPERATING*. Rating Continues to remain under the 'Issuer Not Cooperating' category.
Short Term-Fund Based-Cash Credit	3.40	3.40	[ICRA]A4; ISSUER NOT COOPERATING*. Rating Continues to remain under the 'Issuer Not Cooperating' category.
Total	25.84	25.84	

*Issuer did not cooperate; based on best available information.

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has kept the long-term and short-term rating of D.R. Coats Ink & Resins Private Limited in the 'Issuer Not Cooperating' category. The ratings are denoted as [ICRA]B+(Stable)/[ICRA]A4; ISSUER NOT COOPERATING"

As part of its process and in accordance with its rating agreement with D.R. Coats Ink & Resins Private Limited, ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities: [Click here](#) ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology Rating Methodology- chemicals
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

D.R. Coats Ink & Resins Private Limited (DRCPL) was incorporated in the year 2003. The company is in the business of manufacturing synthetic resins such as polyamides, ketonic resins and epoxy resins, which mainly find applications in paint & ink manufacturing, production of adhesives, wood polish and acrylic production. The company has steadily expanded its capacity over the years from around 360 MTPA in 2006 to current levels of about 10,000 MTPA.

Key Financial Indicator

	FY2022 (in crore)	FY2023 (in crore)
Operating income	279.52	274.27
PAT	47.38	10.20
OPBDIT/OI	7.64%	6.35%
PAT/OI	16.95%	3.72%
RoCE (%)	88.82%	21.35%
Total outside liabilities/Tangible net worth (times)	0.75	0.61
Total debt/OPBDIT (times)	0.22	0.24
Interest coverage (times)	5.57	10.00

Source: MCA

Status of non-cooperation with previous CRA: NA

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2025)				Chronology of Rating History for the past 3 years			
		Type	Amount Rated (Rs. Crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in FY2023	Date & Rating in FY2022	Date & Rating in FY2021	
					May 22, 2024	Mar 30, 2023	Jan 17, 2022	Nov 25, 2020	
1	Cash Credit	Long Term	12.00	-	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	
2	Term Loan	Long Term	1.04	-	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	
3	Non-Fund based	Short term	9.40	-	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	
4	Fund based	Short Term	3.40	-	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Term Loan	Simple
Non-Fund based	Very Simple
Fund based	Very 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: [Click Here](#)

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]B+(Stable); ISSUER NOT COOPERATING
NA	Term Loan	-	-	-	1.04	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Non-Fund based	-	-	-	9.40	[ICRA]A4; ISSUER NOT COOPERATING
NA	Fund based	-	-	-	3.40	[ICRA]A4; ISSUER NOT COOPERATING

Source: D.R. Coats Ink & Resins Private Limited

Annexure-2: List of entities considered for consolidated analysis: Not Applicable

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

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