

May 29, 2024

## JSW Paints Private Limited: Ratings withdrawn

### Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long term fund based – Cash Credit	276.00	276.00	[ICRA]BBB(Stable); withdrawn
Long-term – Fund-based Term Loan	262.50	262.50	[ICRA]BBB(Stable); withdrawn
Short-term – non-fund-based Limits	51.25	51.25	[ICRA]A3+; withdrawn
Short-term – Fund-based Limits	374.00	374.00	[ICRA]A3+; withdrawn
Long-term/short-term – Interchangeable	(90.00)	(90.00)	[ICRA]BBB(Stable)/ [ICRA]A3+; withdrawn
<b>Total</b>	<b>963.75</b>	<b>963.75</b>	

\*Instrument details are provided in Annexure-I

### Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of **JSW Paints Private Limited** at the request of the company and based on the No Objection Certificate received from the bankers, which is in accordance with ICRA's policy on withdrawal. 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Key rating drivers, Liquidity position, Rating sensitivities have not been captured as the rated instruments are being withdrawn.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	<a href="#">Corporate Credit Rating Methodology</a> <a href="#">Policy on Withdrawal of Credit Ratings</a>
Parent/Group support	The ratings assigned to JSWPPL factors in the high likelihood of the JSW Group extending financial support to it because of close business linkages between them. ICRA also expects the JSW Group to be willing to extend financial support to JSWPPL out of its need to protect its reputation from the consequences of a Group entity's distress
Consolidation/Standalone	Standalone

### About the company

JSW Paints Private Limited, incorporated in February 2016, is a part of the JSW Group and promoted by Mr. Sajjan Jindal. The Group has presence across steel, power, infrastructure, and cement sectors. Mr. Parth Jindal, son of Mr. Sajjan Jindal, is the Managing Director of JSW Paints Private Limited. The company manufactures industrial and decorative paints, and has two manufacturing facilities at Vasind, Maharashtra and Vijayanagar, Karnataka. While the Vasind plant has an installed capacity of 60,000 kilo litres per annum (KLPA) and caters to the industrial paints segment, the Vijayanagar plant manufactures decorative paints and has an installed capacity of 1,10,000 KLPA. The commercial operation date (COD) was achieved in March 2019.

## Key financial indicators (Audited)

	FY2022	FY2023
Operating income	1,060.4	1,594.1
PAT	(123.3)	(85.7)
OPBDITA/OI (%)	-6.0%	-2.0%
PAT/OI (%)	-11.6%	-5.4%
Total outside liabilities/Tangible net worth (times)	4.5	2.6
Total Debt/OPBDITA (times)	(12.0)	(21.8)
Interest coverage (times)	(1.1)	(0.5)

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore

PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

## Status of non-cooperation with previous CRA: Not applicable

## Any other information: None

## Rating history for past three years

Instrument	Type	Current rating (FY2025)		Chronology of rating history for the past 3 years					
		Amount Rated (Rs. Crore)	Amount outstanding as of Mar 31, 2023 (Rs. crore)	Date & rating in FY2025	Date & rating in FY2024	Date & rating in FY2023		Date & rating in FY2022	
				May 29, 2024	Jul 07, 2023	Jul 20, 2022	Jul 06, 2022	Oct 14, 2021	Jul 07, 2021
1 Fund-based Limits	LT	276.00	-	[ICRA]BBB (Stable); Withdrawn	[ICRA]BBB (Stable)	[ICRA]BBB (Stable)	[ICRA]BBB (Stable)	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)
2 Fund-based Term Loan	LT	262.50	262.50	[ICRA]BBB (Stable); Withdrawn	[ICRA]BBB (Stable)	[ICRA]BBB (Stable)	[ICRA]BBB (Stable)	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)
3 Non-fund-based Limits	ST	51.25	-	[ICRA]A3+; Withdrawn	[ICRA]A3+	[ICRA]A3+	[ICRA]A3+	[ICRA]A3	[ICRA]A3
4 Fund-based Limits	ST	374.00	-	[ICRA]A3+; Withdrawn	[ICRA]A3+	[ICRA]A3+	[ICRA]A3+	[ICRA]A3	[ICRA]A3
5 Interchangeable Limits	LT/ST	(90.00)	-	[ICRA]BBB (Stable)/ [ICRA]A3+; Withdrawn	[ICRA]BBB (Stable)/ [ICRA]A3+	[ICRA]BBB (Stable)/ [ICRA]A3+	[ICRA]BBB (Stable)/ [ICRA]A3+	[ICRA]A3	[ICRA]A3
6 Unallocated Limits	LT/ST	-	-	-	-	-	-	-	[ICRA]BBB- (Stable)/ [ICRA]A3

## Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term – Fund-based Limits	Simple
Long-term – Fund-based Term Loan	Simple
Short-term – non-fund-based Limits	Very Simple

Short-term – Fund-based Limits	Very Simple
Long-term/Short-term – Interchangeable	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 are available on ICRA's website: [Click Here](#)

#### Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. Crore)	Current Rating and Outlook
NA	Cash Credit	NA	9-10%	NA	276.00	[ICRA]BBB(Stable); withdrawn
NA	Term Loan	FY2018	9-10%	FY2027	262.50	[ICRA]BBB(Stable); withdrawn
NA	Letter of Credit	NA	NA	NA	51.25	[ICRA]A3+; withdrawn
NA	Fund-based Facilities	NA	9-10%	NA	374.00	[ICRA]A3+; withdrawn
NA	Interchangeable Limits	NA	NA	NA	(90.00)*	[ICRA]BBB(Stable)/ [ICRA]A3+; withdrawn

Source: Company; \*sub-limit of short term fund based facility

[Please click here to view details of lender-wise facilities rated by ICRA](#)

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

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