

March 23, 2020

Pearson Drums & Barrels Pvt Ltd: Continues to remain under issuer Non-Cooperating category

Summary of Rated Instrument:

Instrument	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Fund based Limit – Cash Credit	16.00	16.00	[ICRA]B+ (Stable) ISSUER NOT COOPERATING*; Rating continues to remain under ‘Issuer Not Cooperating’ category
Fund based Limit – Term Loan	1.96	1.96	[ICRA]B+ (Stable) ISSUER NOT COOPERATING*; Rating continues to remain under ‘Issuer Not Cooperating’ category
Fund Based Limit – Stand by Line of Credit	2.40	2.40	[ICRA]A4 ISSUER NOT COOPERATING*; Rating continues to remain under ‘Issuer Not Cooperating’ category
Non-Fund Based Limit – Bank Guarantee	3.50	3.50	[ICRA]A4 ISSUER NOT COOPERATING*; Rating continues to remain under ‘Issuer Not Cooperating’ category
Non-Fund Based Limit – Letter of Credit	1.50	1.50	[ICRA]A4 ISSUER NOT COOPERATING*; Rating continues to remain under ‘Issuer Not Cooperating’ category
Unallocated Limit	0.04	0.04	[ICRA]B+ (Stable)/[ICRA]A4 ISSUER NOT COOPERATING*; Rating continues to remain under ‘Issuer Not Cooperating’ category
Total	25.40	25.40	

*Issuer did not co-operate; based on best available information.

Rationale

The rating for the Rs. 25.40 crore bank facilities of Pearson Drums & Barrels Pvt Ltd continue to remain under ‘Issuer Not Cooperating’ category. The rating is denoted as “[ICRA]B+ (Stable)/[ICRA]A4; ISSUER NOT COOPERATING”

ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity’s management has remained non-cooperative. The current rating action has been taken by ICRA basis best available/dated/ limited information on the issuers’ performance. Accordingly, the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology Policy in respect of non-co-operation by the rated entity
Parent/Group Support	Not Applicable
Consolidation / Standalone	The rating is based on standalone financial statements of the issuer.

About the company:

Established in 1991, PDBPL was initially engaged in the trading of steel drums. Subsequently in 1993 and 1999, the company set up manufacturing facilities in Kolkata and Mumbai respectively to manufacture steel barrels and engineering goods including clamps, barrier fences, rubber support inserts, and other related accessories. The annual installed capacities of drums at the Kolkata and Mumbai units are 4,86,000 and 6,00,000 pieces respectively.

The previous detailed rating rationale is available on the following link: [Click here](#)

Key financial indicators:

	FY2018	FY2019
Operating Income (Rs. crore)	71.2	78.6
PAT (Rs. crore)	0.4	0.7
OPBDITA/OI (%)	3.1%	4.9%
RoCE (%)	11.5%	10.0%
Total Outside Liabilities/Tangible Net Worth (times)	3.0	3.3
Total Debt/OPBDITA (times)	11.8	6.5
Interest Coverage (times)	0.6	1.2
DSCR	1.1	1.2

Source: - MCA

Status of non-cooperation with previous CRA

CRA	Status	Date of Release
Brickwork	[BWR]BB (Stable)/A4 Issuer Non-Cooperation	July 15, 2019

Rating history for past three years

All figures in Rs. Crore

	Instrument	Current Rating (FY2020)			Rating History for the Past 3 Years			
		Type	Amount Rated	Amount Outstanding	Rating	FY2019	FY2018	FY2017
					23-Mar- 2020	20-Dec-2018	11-Sep -2017	-
1	Cash Credit	Long Term	16.00	-	[ICRA]B+ (Stable) ISSUER NOT COOPERATING;	[ICRA]B+ (Stable) ISSUER NOT COOPERATING;	[ICRA]B+ (Stable) ISSUER NOT COOPERATING;	-
2	Term loan	Long Term	1.96	-	[ICRA]B+ (Stable) ISSUER NOT COOPERATING;	[ICRA]B+ (Stable) ISSUER NOT COOPERATING;	[ICRA]B+ (Stable) ISSUER NOT COOPERATING;	-
3	Cash Credit (Stand by Line of Credit)	Short Term	2.40	-	[ICRA]A4 ISSUER NOT COOPERATING	[ICRA]A4 ISSUER NOT COOPERATING	[ICRA]A4 ISSUER NOT COOPERATING	-
4	Bank Guarantee	Short Term	3.50	-	[ICRA]A4 ISSUER NOT COOPERATING	[ICRA]A4 ISSUER NOT COOPERATING	[ICRA]A4 ISSUER NOT COOPERATING	-
5	Letter of Credit	Short Term	1.50	-	[ICRA]A4 ISSUER NOT COOPERATING	[ICRA]A4 ISSUER NOT COOPERATING	[ICRA]A4 ISSUER NOT COOPERATING	-
6	Untied Limits	Long Term/Short Term	0.04	-	[ICRA]B+ (Stable)/ [ICRA]A4 ISSUER NOT COOPERATING	[ICRA]B+ (Stable)/ [ICRA]A4 ISSUER NOT COOPERATING	[ICRA]B+ (Stable)/ [ICRA]A4 ISSUER NOT COOPERATING	-

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