



Rating Rationale

Asiatic Colour Chem Industries Ltd

22 March 2018

Brickwork Ratings has reviewed the Rating for the Bank Loan facilities of ₹ 74.10 Crore of Asiatic Colour Chem Industries Ltd based on best available information, as the issuer did not cooperate. Accordingly the long term ratings for the said Bank Loan Facilities have been downgraded to BWR BBB- and short term rating have been reaffirmed to BWR A3 and migrated to the Issuer Not Cooperating category

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating*	
	Previous	Present **		Previous (Dec, 2016)	Present
Fund Based	51.10	51.10	Long Term	BWR BBB (Pronounced as BWR Triple B) (Outlook: Stable)	BWR BBB- (Pronounced as BWR Triple B Minus) ISSUER NOT COOPERATING (Downgraded)
Cash Credit	40.00	40.00			
Corporate Loan	2.10	2.10			
Stand by Line of Credit	9.00	9.00			
Non Fund Based	23.00	23.00	Short Term	BWR A3 (Pronounced as BWR A Three)	BWR A3 (Pronounced as BWR A Three) ISSUER NOT COOPERATING (Reaffirmed)
Letter of Credit	22.00	22.00			
Credit Exposure Limit	1.00	1.00			
Total	74.10	74.10	₹ Seventy Four Crores and Ten Lakhs Only		

*Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

** As per the information provided in 2016

Issuer did not cooperate; based on best available information

Ratings: Long term rating Downgraded and short term rating Reaffirmed and migrated to Issuer Not Cooperating Category

In view of the non availability of the information and lack of management cooperation, Brickwork Ratings has downgraded the long term rating and reaffirmed the short term rating for bank loan facilities amounting to Rs. 74.10 crores of Asiatic Colour Chem Industries Ltd (ACCIL).



Nature of Non Cooperation:

The rating was due for a review in Dec, 2016. BWR took up with the issuer to provide required information over e-mails dated 18th January 2018 & 2nd February, 2018 and through telephone calls. Despite the best efforts of BWR to get at least the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the issuer/Company, BWR is unable to assess the issuer's/Company's financial performance and its ability to service its debt and maintain a valid rating.

Limitations of the rating: Information availability risk is a key factor in the assessment of credit risk as generally, non cooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress.

About the Company (February, 2015)

Asiatic Colour Chem Industries Ltd (ACCIL) is a closely-held public limited company was incorporated in the year 1995. The directors of the Company are Mr. Mahesh Agrawal, Mr. Vibhor Agrawal and Ms. Savitri Devi Agrawal. The Company's manufacturing unit and corporate office are located in Ahmedabad. ACCIL is engaged in manufacturing and exports of Synthetic Organic (SO) Dyes (mainly Acid Dyes) which are used primarily in the leather industry. ACCIL also manufactures polypropylene (PP)/high density polyethylene (HDPE) woven fabric and sacks. The company is a 100% export oriented unit. The company is directly marketing to more than 40 countries worldwide. ACCIL also has other group concerns which operate in the same industry.

Rating History for the last three years (including withdrawn/suspended ratings)

Instrument /Facility	Current Rating (2018)			Rating History		
	Type	Amount (₹ Cr)	Rating^	2017	2016	2015
Fund Based Cash Credit Corporate Loan Stand by Line of Credit	Long Term	51.10 40.00 2.10 9.00	Issuer not cooperating; BWR BBB- (Downgraded)	NA	BWR BBB / Stable (Not reviewed)	BWR BBB / Stable (Upgraded)
Non Fund Based Letter of Credit Credit Exposure Limit	Short Term	23.00 22.00 1.00	Issuer not cooperating; BWR A3	NA	BWR A3 (Not reviewed)	BWR A3 (Upgraded)



			(Reaffirmed)		reviewed)	
Total		74.10	₹ Seventy Four Crores and Ten Lakhs Only			

^ Issuer did not cooperate; based on best available information

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [What Constitutes Non-Cooperation](#)
- [Approach to Financial Ratios](#)

Asiatic Colour Chem Industries Ltd

Annexure I

Particulars	Units	2014 (A)	2013 (A)
Operating Revenues	₹ Cr	269.34	160.99
EBITDA	₹ Cr	21.32	10.62
PAT	₹ Cr	10.61	2.33
Tangible Networth	₹ Cr	43.72	31.20
Total Debt : TNW	Times	0.56	1.25
Current Ratio	Times	1.46	1.30

Note: As per information available with BWR



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For print and digital media

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Note on complexity levels of the rated instrument:

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at www.brickworkratings.com/download/ComplexityLevels.pdf Investors queries can be sent to info@brickworkratings.com.

About Brickwork Ratings

Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, has also been accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a Nationalized Bank, as its promoter and strategic partner.

BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Guwahati, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 10,00,000 Cr. In addition, BWR has rated over 6300 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹24,440 Cr have been rated.

DISCLAIMER

Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented “as is” without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.