

## Dodhia Synthetics Limited

June 01 2022

### Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	67.43	<b>CARE BB; Stable; ISSUER NOT COOPERATING* (Double B; Outlook: Stable ISSUER NOT COOPERATING*)</b>	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	77.65	<b>CARE A4; ISSUER NOT COOPERATING* (A Four ISSUER NOT COOPERATING*)</b>	Rating continues to remain under ISSUER NOT COOPERATING category
<b>Total Bank Facilities</b>	<b>145.08 (Rs. One Hundred Forty-Five Crore and Eight Lakhs Only)</b>		

Details of instruments/facilities in Annexure-1

### Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated March 05, 2021, placed the rating(s) of Dodhia Synthetics Limited (DSL) under the 'issuer non-cooperating' category as DSL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. DSL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated January 19, 2022, January 29, 2022, February 08, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

**Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).**

### Detailed description of the key rating drivers

Please refer to PR dated [March 05, 2021](#)

### Analytical approach: Combined

CARE has combined the financials of DSL and Vasupujya Filaments (VF). The combined view is taken as both the companies as it is in similar line of business, share operational linkages and belong to promoter group. Both the companies are referred to as the DSL group

### Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

### About the Company

Incorporated in 1987, DSL is engaged in dyeing of yarn, texturizing & twisting of dyed yarn. The company also has a wind mill in Sangli.

Established in 2003, VF is a partnership firm promoted by the Dodhia family, with 70% held by the group company (DSL) and the remaining 30% by the members of Dodhia family. VF is in the business of manufacturing of twisted polyester filament yarn & texturizing yarn.

DSL & VJ are part of Dodhia group of companies. The group is a closely held family owned business. Dodhia group is engaged in manufacturing of dyed polyester yarn, specialty yarn and high bulk carpet yarn, chemical manufacturing etc. DSL and VF have six manufacturing facilities at Maharashtra and the Union Territory of Dadra and Nagar Haveli (two in Bhiwandi; one each in Wada and Dapoda and two in Silvassa).

<sup>1</sup> Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE publications

\*Issuer did not cooperate; Based on best available information

**Combined financials of DSL and VF are tabulated below:**

Brief Financials (Rs. crore)	31-03-2020 (UA)	31-03-2021 (UA)	31-03-2022 (UA)
Total operating income	612.99	580.69	NA
PBILDT	57.64	60.24	NA
PAT	6.34	12.86	NA
Overall gearing (times)	3.11	2.79	NA
Interest coverage (times)	2.26	2.68	NA

UA – Unaudited, NA – Not available

**Standalone financials of DSL are tabulated below:**

Standalone Brief Financials (Rs. crore)	31-03-2020 (A)	31-03-2021 (A)	31-03-2022 (Prov.)
Total operating income	577.24	529.69	NA
PBILDT	49.22	49.97	NA
PAT	6.62	10.93	NA
Overall gearing (times)	2.75	3.03	NA
Interest coverage (times)	2.51	2.56	NA

A – Audited, Prov. – Provisional, NA – Not available

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

**Any other information:** Not applicable

**Rating History for last three years:** Please refer Annexure-2

**Covenants of rated instrument/facility:** Please refer Annexure-3

**Complexity level of various instruments rated for this company:** Please refer Annexure-4

**Annexure-1: Details of Instruments/Facilities**

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	-	16.50	CARE BB; Stable; ISSUER NOT COOPERATING*
Fund-based - ST-PC/Bill Discounting	-	-	-	-	75.00	CARE A4; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan	-	-	-	August 2024	50.93	CARE BB; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee	-	-	-	-	2.65	CARE A4; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; Based on best available information

**Annexure-2: Rating History of last three years**

Sr. No.	Name of the Instrument /Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2022-2023	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020
1	Fund-based - LT-Cash Credit	LT	16.50	CARE BB; Stable; ISSUER NOT COOPERATING*	-	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (05-Mar-21)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (03-Feb-20)
2	Fund-based - ST-PC/Bill Discounting	ST	75.00	CARE A4; ISSUER NOT COOPERATING*	-	-	1)CARE A4; ISSUER NOT COOPERATING* (05-Mar-21)	1)CARE A4; ISSUER NOT COOPERATING* (03-Feb-20)
3	Fund-based - LT-Term Loan	LT	50.93	CARE BB; Stable; ISSUER NOT COOPERATING*	-	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (05-Mar-21)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (03-Feb-20)
4	Non-fund-based - ST-Bank Guarantee	ST	2.65	CARE A4; ISSUER NOT COOPERATING*	-	-	1)CARE A4; ISSUER NOT COOPERATING* (05-Mar-21)	1)CARE A4; ISSUER NOT COOPERATING* (03-Feb-20)

\*Issuer did not cooperate; Based on best available information

**Annexure-3: Detailed explanation of covenants of the rated instrument / facilities:** Not applicable

**Annexure-4: Complexity level of various instruments rated for this company**

Sr. No	Name of instrument	Complexity level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Fund-based - ST-PC/Bill Discounting	Simple
4	Non-fund-based - ST-Bank Guarantee	Simple

**Annexure-5: Bank Lender Details for this Company**

To view the lender wise details of bank facilities please [click here](#)

**Note on complexity levels of the rated instrument:** CARE Ratings Ltd. has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

## Contact us

### Media Contact

Name – Mr. Mradul Mishra  
Contact no. - +91-22-6754 3596  
Email ID - [mradul.mishra@careedge.in](mailto:mradul.mishra@careedge.in)

### Analyst Contact

Name - Shachee Nakul Vyas  
Contact no.- +91-079-40265665  
Email ID - [shachee.tripathi@careedge.in](mailto:shachee.tripathi@careedge.in)

### Relationship Contact

Name - Saikat Roy  
Contact no. - 9820998779  
Email ID - [saikat.roy@careedge.in](mailto:saikat.roy@careedge.in)

### About CARE Ratings Limited:

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With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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