

## Pagan Paints and Chemicals Private Limited

May 13, 2024

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	3.50	CARE B-; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	2.30	CARE A4; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1

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

### Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated February 28, 2023, placed the rating(s) of Pagan Paints and Chemicals Private Limited (PPCPL) under the 'issuer non-cooperating' category as PPCPL 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. PPCPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated January 14, 2024, January 24, 2024, February 03, 2024.

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).**

**Analytical approach:** Standalone

**Outlook:** Stable

### Detailed description of the key rating drivers:

Please refer to PR dated [February 28, 2023](#)

### Applicable criteria

[CARE Rating's criteria on information adequacy risk and issuer non-cooperation](#)

[Policy on default recognition](#)

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

### About the company

New Delhi based, Pagan Paints & Chemicals Private Limited (PPCPL) was incorporated as a private limited company in March, 1994, by Mr. Jagdish Chand Sharma and Mrs. Manjeet Sharma. PPCPL is primarily engaged in the manufacturing of automotive and industrial paints (like epoxy paints & primer, thermosetting acrylic paints, top coat finishes, acid & alkali proof coating etc.), metal pre-treatment chemicals (like degreasing & derusting chemicals, heat treatment salts, blackening salts, chromatizing/chrome free chemicals, rust preventive oils etc.) and powder coatings (like pure epoxy and polyester). The company operates through its two branches, in New Delhi and Pune.

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

Brief Financials (Rs. crore)	March 31, 2022 (A)	March 31, 2023 (A)
Total operating income	7.21	9.11
PBILDT	-1.54	-0.09
PAT	-2.50	-0.57
Overall gearing (times)	14.33	NM
Interest coverage (times)	NM	NM

A: Audited NM: Not Meaningful; Note: 'the above results are latest financial results available'

**Status of non-cooperation with previous CRA:** Acuite has continued the rating assigned to the bank facilities of PPCPL into Issuer Not Cooperating category vide press release dated October 18, 2023 on account of its inability to carry out a review in the absence of requisite information.

CRISIL has continued the rating assigned to the bank facilities of PPCPL into Issuer Not Cooperating category vide press release dated June 15, 2023 on account of its inability to carry out a review in the absence of requisite information.

**Any other information:** Not Applicable

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

**Covenants of rated instrument / facility:** Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

**Complexity level of various instruments rated:** Annexure-4

**Lender details:** Annexure-5

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

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	3.50	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based/Non-fund-based-Short Term		-	-	-	0.70	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	0.10	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-ILC/FLC		-	-	-	1.50	CARE A4; ISSUER NOT COOPERATING*

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

**Annexure-2: Rating history for the last three years**

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Cash Credit	LT	3.50	CARE B-; Stable; ISSUER NOT COOPERATING*	-	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (28-Feb-23)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (24-Dec-21)
2	Non-fund-based - ST-ILC/FLC	ST	1.50	CARE A4; ISSUER NOT COOPERATING*	-	-	1)CARE A4; ISSUER NOT COOPERATING* (28-Feb-23)	1)CARE A4; ISSUER NOT COOPERATING* (24-Dec-21)
3	Non-fund-based - ST-Bank Guarantee	ST	0.10	CARE A4; ISSUER NOT COOPERATING*	-	-	1)CARE A4; ISSUER NOT COOPERATING* (28-Feb-23)	1)CARE A4; ISSUER NOT COOPERATING* (24-Dec-21)
4	Fund-based/Non-fund-based-Short Term	ST	0.70	CARE A4; ISSUER NOT COOPERATING*	-	-	1)CARE A4; ISSUER NOT COOPERATING* (28-Feb-23)	1)CARE A4; ISSUER NOT COOPERATING* (24-Dec-21)

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

LT: Long term; ST: Short term

**Annexure-3: Detailed explanation of covenants of the rated instruments/facilities: Not Applicable****Annexure-4: Complexity level of the various instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based/Non-fund-based-Short Term	Simple
3	Non-fund-based - ST-Bank Guarantee	Simple
4	Non-fund-based - ST-ILC/FLC	Simple

**Annexure-5: Lender details**

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

**Note on complexity levels of the rated instrument:** CARE Ratings 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](mailto:care@careedge.in) for any clarifications.

### Contact us

<b>Media Contact</b>  Mradul Mishra Director <b>CARE Ratings Limited</b> Phone: +91-22-6754 3596 E-mail: <a href="mailto:mradul.mishra@careedge.in">mradul.mishra@careedge.in</a>	<b>Analytical Contacts</b>  Shachee Vyas Assistant Director <b>CARE Ratings Limited</b> Phone: +91-079-40265665 E-mail: <a href="mailto:shachee.tripathi@careedge.in">shachee.tripathi@careedge.in</a>
<b>Relationship Contact</b>  Ankur Sachdeva Senior Director <b>CARE Ratings Limited</b> Phone: +91 22 6754 3444 E-mail: <a href="mailto:Ankur.sachdeva@careedge.in">Ankur.sachdeva@careedge.in</a>	Aniket Shringarpure Analyst <b>CARE Ratings Limited</b> Phone: +91-079-40265659 E-mail: <a href="mailto:aniket.shringarpure@careedge.in">aniket.shringarpure@careedge.in</a>
	Devanshi Mewada Associate Analyst <b>CARE Ratings Limited</b> E-mail: <a href="mailto:devanshi.mewada@careedge.in">devanshi.mewada@careedge.in</a>

### About us:

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