

## Sonalac Paints and Coatings Limited

June 10, 2025

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	9.50	CARE B-; Stable; 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 Limited (CareEdge Ratings) had, vide its press release dated May 29, 2024, placed the rating(s) of Sonalac Paints and Coatings Limited (SPCL) under the 'issuer non-cooperating' category as SPCL had failed to provide information for monitoring of the rating as agreed to in its Rating Agreement. SPCL continues to be non-cooperative despite repeated requests for submission of information through e-mails dated April 14, 2025, April 24, 2025, May 04, 2025 among others.

In line with the extant SEBI guidelines, CareEdge Ratings has reviewed the rating on the basis of the best available information which however, in CareEdge Ratings' 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 [May 29, 2024](#)

### Applicable criteria

[Definition of Default](#)

[Policy in respect of non-cooperation by issuers](#)

[Rating Outlook and Rating Watch](#)

### About the company

Sonalac Paints and Coatings Limited (SPCL) [Now Sonalac Paints And Coatings LLP] was incorporated in 1988 as a public limited company and is currently being managed by Mr. Radhe Shyam Garg, Mr Bobby Garg, Ms Kiran Garg and Mr Rupesh Garg. SPCL is engaged in the manufacturing of various dry and liquid decorative paints like exterior emulsions, interior emulsions, plastic emulsions, cement paints, acrylic distemper, dry distemper, dry wall putty, acrylic wall putty, cement primer, etc, at its two manufacturing facilities based in J & K and Rajasthan having an installed capacity of 60,000 Tonnes of dry and liquid decorative paint per year, as on June 30, 2018. The finished goods are sold under the brand name of "Sonalac" to various wholesalers and retailers through a network of 40 dealers and network of depots at 12 locations spread across India.

**Status of non-cooperation with previous CRA:** CRISIL has continued the rating assigned to the bank facilities of SPCL into Issuer Not Cooperating category vide press release dated April 15, 2024 on account of its inability to carry out a review in the absence of requisite information.

Acuite has continued the rating assigned to the bank facilities of SPCL into Issuer Not Cooperating category vide press release dated December 05, 2024 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:** Annexure-2

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

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

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

**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 and Rating Outlook
Fund-based - LT-Bank Overdraft		-	-	-	2.81	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit		-	-	-	6.50	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	October 2019	0.19	CARE B-; Stable; ISSUER NOT COOPERATING*

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

**Annexure-2: Rating history for 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 2025-2026	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
1	Fund-based - LT-Term Loan	LT	0.19	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (29-May-24)	1)CARE B; Stable; ISSUER NOT COOPERATING* (10-Apr-23)	-
2	Fund-based - LT-Cash Credit	LT	6.50	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (29-May-24)	1)CARE B; Stable; ISSUER NOT COOPERATING* (10-Apr-23)	-
3	Fund-based - LT-Bank Overdraft	LT	2.81	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (29-May-24)	1)CARE B; Stable; ISSUER NOT COOPERATING* (10-Apr-23)	-

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

LT: Long 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-Bank Overdraft	Simple
2	Fund-based - LT-Cash Credit	Simple
3	Fund-based - LT-Term Loan	Simple

**Annexure-5: Lender details**

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

**Note on complexity levels of rated instruments:** CARE Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for clarifications.

### Contact us

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