Indchem Marketing Agencies

July 14, 2026

Facilities/Instruments	Name of the Regulator[1]	Amount (₹ crore)	Rating[2]	Rating Action
Long Term Bank Facilities	RBI	8.51	CARE B+; Stable; ISSUER NOT COOPERATING*	Downgraded from CARE BB; Stable and moved to ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.
*Issuer did not cooperate; based on best available information.

Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) has been seeking information from Indchem Marketing Agencies (ICM) to monitor the rating vide e-mail communications dated April 01, 2026, April 10, 2026, April 16, 2026, April 28, 2026 and June 29, 2026 among others and numerous phone calls. However, despite our repeated requests, the firm has not provided the requisite information for monitoring the ratings. 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. The ratings on ICM's bank facilities will now be denoted as **'CARE B+; Stable; ISSUER NOT COOPERATING'.**

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

The ratings assigned to the bank facilities of Indchem Marketing Agencies (ICM) have been revised on account of non-availability of requisite information. The ratings assigned to the bank facilities of ICM remained constrained on account of small scale of operations during FY24 (Audited - refers to the period from April 01 to March 31). The ratings further remained constrained on account of working capital-intensive nature of business, intense competition and cyclical nature of leather industry, partnership nature of constitution with inherent risk of withdrawal of capital. However, ratings continue to draw strength from extensive experience of promoters in the same line of business, long standing relationship with reputed suppliers.

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers

At the time of last rating on May 12, 2025 the following were the rating strengths and weaknesses

Key weaknesses

Small scale of operations

ICM has small scale of operations, with its total operating income (TOI) ranging between ₹13.70 - ₹27.58 crore over the last five years, ending FY24. It has reported PBILDT margin of ~11.66% during this period. ICM's product portfolio primarily consists of three categories of chemicals: Wet-End Chemicals, Beamhouse Chemicals and Finishing Chemicals. The firm supplies its products directly to tanneries and leather manufacturers; most of whom are export oriented.

Working capital intensive nature of business

ICM's operations are working capital intensive due to the trading nature of its business and the elongated operating cycle of its customers, tanneries and leather manufacturers. The firm provides a credit period of up to 270 days to its longstanding customers. In FY24, the operating cycle elongated to 241 days (PY: 211 days) owing to an increase in average collection days to 237 days (PY:204 days).

Intense competition and cyclical nature of leather industry

ICM operates in a highly competitive and cyclical industry, facing intense competition from both organised and largely unorganised players, which puts pressure on pricing and extends operating cycle days. The leather industry is closely tied to economic cycles; during downturns, reduced disposable income leads to lower consumption of leather products. This, in turn, affects leather goods production and reduces the demand for leather chemicals.

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[1]SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority
[2]Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE Ratings Limited's publications.

Partnership nature of Constitution with inherent risk of withdrawal of capital
Constitution as a partnership has the inherent risk of the possibility of withdrawal of the capital at the time of personal contingency which can adversely affect its capital structure. Furthermore, partnership firms have restricted access to external borrowings as the credit worthiness of the partners would be key factors affecting credit decision for the lenders.

Key strengths
Extensive experience of promoters in the same line of business
The group, founded by Manekchand Lal Vasa, is in this business since 1954. Currently the day-to-day operation is managed by Narendra Vasa, son of Manekchand Vasa assisted by his son Anikt Vasa, with over 3 decades of experience in leather chemicals industry.

Long standing relationship with reputed suppliers
The group started its operations in 1954. Over the years, it has built strong relationships with both suppliers and customers. It mainly distributes products from Stahl Corporation, which holds ~75% market share in Wet-End Chemicals in India. The firm also works with other well-known suppliers like BASF Corporation (since 1965), Dow Chemicals, and Nerofix from the Nerolac Kansai Group. These long-term partnerships have helped the firm maintain a steady and reliable supply chain.

Assumptions/Covenants: Not Applicable

Environment, social, and governance (ESG) risks: Not Applicable

Applicable Criteria:
Criteria on Information Adequacy Risk and Issuer Non-Cooperation
CARE Ratings' Policy on Default Recognition
Criteria on Assigning 'Outlook' or 'Rating Watch' to Credit Ratings
Financial Ratios – Non-Financial Sector
Rating Methodology - Wholesale Trading

About the firm and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Commodities	Chemicals	Chemicals & Petrochemicals	Trading - Chemicals

The firm was founded by Maneklal Zaverchand Vasa in 1954 in the name Indchem Marketing Corporation which later reconstituted as Indchem Marketing Agencies in 2017. The firm is engaged in trading of leather chemicals of leading chemical manufacturers such as Stahl Corporation, BASF, Dow Chemicals and others. The business is currently managed by his son, N.M. Vasa, and grandson, Ankit Vasa.

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)	11MFY25 (UA)
Total operating income	31.20	27.54	26.48
PBILDT*	4.39	2.73	2.66
Profit after tax (PAT)	2.67	0.91	NA
Overall gearing (x)	0.55	0.65	NA
Interest coverage (x)	2.79	1.63	NA

A: Audited; UA: Unaudited; NA: Not available; Note: these are latest available financial results
***PBILDT**: Profit before interest, lease rentals, depreciation and tax

Status of non-cooperation with previous CRA: Not applicable

Any Other information: Not Applicable

Rating History for last three years: Annexure-2

Covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-1

Lender details: Annexure-4

Disclosure on facilities/instruments and name of the regulators:
A list of facilities / instruments falling under the purview of various financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by CareEdge Ratings on its website. A link to the same has been provided below for ready reference:

https://www.careratings.com/activities_and_regulators

Note: For facilities or instruments falling under the purview of FSRs other than Securities and Exchange Board of India (SEBI), the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Annexure-1: Details of instruments/facilities

Name of the Instrument	Name of the Regulator	Complexity Level	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-Cash Credit	RBI	Simple	-		-	-	8.30	CARE B+; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan	RBI	Simple	-		-	January 31, 2026	0.21	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 2026-2027	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
1	Fund-based - LT-Cash Credit	LT	8.30	CARE B+; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable (12-May-25)	-	-
2	Fund-based - LT-Term Loan	LT	0.21	CARE B+; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable (12-May-25)	-	-

*Issuer did not cooperate; based on best available information.
LT: Long term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Lender details

To view lender-wise details of bank facilities please click here

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

Contact us

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About us:

Established in 1993, CareEdge Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the Reserve Bank of India. With an equitable position in the Indian capital market, CareEdge Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CareEdge Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CareEdge Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit. For more information: www.careratings.com