

## Indian Hydrocolloids

August 24, 2022

### Ratings

Facilities / Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term / Short Term Bank Facilities	20.00	<b>CARE B-; Stable / CARE A4; ISSUER NOT COOPERATING* (Single B Minus; Outlook: Stable/ A Four; ISSUER NOT COOPERATING*)</b>	<b>Rating continues to remain under ISSUER NOT COOPERATING category</b>
<b>Total Facilities</b>	<b>20.00 (Rs. Twenty Crore Only)</b>		

Details of instruments/facilities in Annexure-1

### Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated June 28, 2021, placed the rating(s) of Indian Hydrocolloids (IH) under the 'issuer non-cooperating' category as IH 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. IH continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated May 14, 2022, May 24, 2022, June 03, 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 [June 28, 2021](#)

**Analytical approach:** Standalone

### Applicable Criteria

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

[Policy on default recognition](#)

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

### About the Company

Constituted in 2011, IHC is a partnership firm engaged in the manufacturing of guar gum powder, guar gum split and value-added guar gum products along with other hydrocolloids. The products manufactured by IHC find application in various industries namely food industry, oil & gas, textile & printing, cattle feed etc. The manufacturing plant of IHC located in Gandhidham, Gujarat having an installed capacity of 2,737 Metric Tonne Per Annum (MTPA) for Guar refined split, 5,475 MTPA for guar gum powder, 6,113 MTPA for Guar meal churi and 548 MTPA for Guar meal korma as on January 31, 2017.

Brief Financials (Rs. crore)	FY20(A)	FY21(A)	FY22(Prov.)	Q1FY23 (Prov.)
Total operating income	NA	NA	NA	NA
PBILD	NA	NA	NA	NA
PAT	NA	NA	NA	NA
Overall gearing (times)	NA	NA	NA	NA
Interest coverage (times)	NA	NA	NA	NA

A: Audited; Prov.: Provisional; NA: Not Available

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

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

**Status of non-cooperation with previous CRA:** Brickwork has continued the ratings assigned to the bank facilities of IH to 'Issuer Not Cooperating' category vide press release dated August 17, 2021 on account of its inability to carry out a review in the absence of the requisite information from the firm.

**Any other information:** Not Applicable

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

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

**Complexity level of various instruments rated for this firm:** 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/ ST-CC/PC/Bill Discounting		-	-	-	20.00	CARE B-; Stable / 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) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT/ ST-CC/PC/Bill Discounting	LT/ST*	20.00	CARE B-; Stable / CARE A4; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable / CARE A4; ISSUER NOT COOPERATING* (28-Jun-21)	1)CARE B; Stable / CARE A4; ISSUER NOT COOPERATING* (10-Jun-20)	1)CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING* (03-Jun-19)

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

**Annexure 3: Detailed explanation of the covenants of the rated instruments/facilities:** Not Applicable

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

Sr. No.	Name of Instrument	Complexity Level
1	Fund-based - LT/ ST-CC/PC/Bill Discounting	Simple

**Annexure 5: Bank Lender Details for this Firm**

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.

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### 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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