

## E.P. Industrial & Agro Products Private Limited

January 31, 2023

Facilities/Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	6.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B-; Stable; (Single B Minus; Outlook: Stable)
Short Term Bank Facilities	9.25	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE A4; (A Four)

*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 November 23, 2021, placed the rating(s) of E.P. Industrial & Agro Products Private Limited (EIAPPL) under the 'issuer non-cooperating' category as EIAPPL 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. EIAPPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated October 09, 2022, October 19, 2022, October 29, 2022 and January 30, 2023.

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).**

The ratings assigned to the bank facilities of EIAPPL have been revised on account of delays in debt servicing recognized from audit report of FY21, obtained from registrar of the companies.

### Detailed description of the key rating drivers

Please refer to PR dated [November 23, 2021](#)

**Analytical approach:** Standalone

### Applicable criteria

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

[Policy on default recognition](#)

### About the Company

Hyderabad based, E.P. Industrial & Agro Private Limited (EIAPPL) was incorporated in 1994 and promoted by Mr. Jatinder Kumar Arya and Ms. Chander Mohini Arya. The company is engaged into manufacturing of specialty chemicals covering a wide range of cellulose and starch-based specialty chemicals for various industrial applications i.e., oil well drilling, detergents, paper, textiles, cosmetics, ceramic, paint, drug and pharmaceuticals etc. Currently, the company has an aggregate capacity of 2400 MT per annum. The company purchases the raw material like Cellulose and Starch from local supplier SR Drugs and Intermediaries Private Limited, SR Enterprises, Gunjan Enterprises, Gayatri Bio organics Limited among others in India.

<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, 2021 (A)	March 31, 2022 (A)	9M2023 (Prov.)
Total operating income	4.03	NA	NA
PBILDT	-0.69	NA	NA
PAT	3.05	NA	NA
Overall gearing (times)	0.68	NA	NA
Interest coverage (times)	-7.05	NA	NA

A: Audited; Prov: Provisional; NA: Not Applicable

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

**Any other information:** Not Applicable

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

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

**Complexity level of the 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 (Rs. crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	6.00	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	6.50	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-ILC/FLC		-	-	-	2.75	CARE D; 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 (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-Cash Credit	LT	6.00	CARE D; ISSUER NOT COOPERATING *	-	1)CARE B-; Stable; ISSUER NOT COOPERATING * (23-Nov-21)	1)CARE B-; Stable; ISSUER NOT COOPERATING * (24-Nov-20)	1)CARE B; Stable; ISSUER NOT COOPERATING * (03-Sep-19)
2	Non-fund-based - ST-Bank Guarantee	ST	6.50	CARE D; ISSUER NOT COOPERATING *	-	1)CARE A4; ISSUER NOT COOPERATING * (23-Nov-21)	1)CARE A4; ISSUER NOT COOPERATING * (24-Nov-20)	1)CARE A4; ISSUER NOT COOPERATING * (03-Sep-19)
3	Non-fund-based - ST-ILC/FLC	ST	2.75	CARE D; ISSUER NOT COOPERATING *	-	1)CARE A4; ISSUER NOT COOPERATING * (23-Nov-21)	1)CARE A4; ISSUER NOT COOPERATING * (24-Nov-20)	1)CARE A4; ISSUER NOT COOPERATING * (03-Sep-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 the various instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Non-fund-based - ST-Bank Guarantee	Simple
3	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 the complexity levels of the rated instruments:** 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 for any clarifications.

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