

March 15, 2024

## Catasynt Speciality Chemicals Private Limited: Rating Moved to Issuer Non-Cooperating Category

### Summary of rating action

Instrument <sup>^</sup>	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long term- Fund-based: Term Loan	85.00	85.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating moved to Issuer Not Cooperating category
Long term- Fund- based: Others	25.00	25.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating moved to Issuer Not Cooperating category
<b>Total</b>	<b>110.00</b>	<b>110.00</b>	

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

<sup>^</sup>Instrument details are provided in Annexure-1

### Rationale

ICRA has moved the ratings for the bank facilities of **Catasynt Speciality Chemicals Private Limited** to the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]D; ISSUER NOT COOPERATING".

The rating is based on limited cooperation from the entity since the time it was last rated in March 2023. As a part of its process and in accordance with its rating agreement with **Catasynt Speciality Chemicals Private Limited**, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite cooperation and in line with the aforesaid policy of ICRA, the rating has been moved to the "Issuer Not Cooperating" category.

Please refer to the following link for the previous detailed rationale that captures the Key rating drivers and their description, Liquidity position and Rating sensitivities : [Click here.](#)

### Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	<a href="#">Policy in respect of Non-cooperation by a rated entity</a> <a href="#">Corporate Credit Rating Methodology</a> <a href="#">Policy on Default Recognition</a> <a href="#">Rating Methodology for Chemicals</a>
Parent/Group support	Not Applicable
Consolidation/Standalone	The rating is based on the standalone financial profile of the company.

### About the company

Catasynt Speciality Chemicals Private Limited (CSCPL) was incorporated in 2016 to set up a greenfield project at the Mangalore SEZ in Karnataka, with an installed production capacity of 5,600 MTPA for speciality chemicals, primarily used in the F&F, pharmaceutical and agrochemical applications. Anthea Aromatics Private Limited holds a majority stake of 74.9%, and Solvay Chemicals & Plastics Holding B.V. holds a stake of 25.1% in CSCPL.

## Key financial indicators

	FY2022	FY2023
Operating income (Rs. crore)	48.8	77.5
PAT (Rs. crore)	(87.3)	(78.0)
OPBDIT/OI (%)	-92.8%	-35.1%
PAT/OI (%)	-178.8%	-100.6%
Total outside liabilities/Tangible net worth (times)	2.2	8.6
Total Debt/OPBDIT (times)	(4.2)	(8.0)
Interest coverage (times)	(2.4)	(1.2)

Source: Company

Status of non-cooperation with previous CRA: Not Applicable

Any other information: None

## Rating history for past three years

Instrument	Type	Amount Rated (Rs. crore)	Current Rating (FY2024)		Chronology of Rating History for the past 3 years		
			Amount Outstanding as of Sep 30, 2022 (Rs. crore)	Date & Rating in Mar 15, 2023	Date & Rating in FY2023	Date & Rating in FY2022	Date & Rating in FY2021
					Mar 06, 2023	Dec 31, 2021	Sep 30, 2020
Fund-based 1 Term Loan	Long-term	85.00	62.01	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D	[ICRA]BBB-(Stable)	[ICRA]BBB-(Stable)
Fund-based 2 Other	Long-term	25.00	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D	[ICRA]BBB-(Stable)	-

## Complexity level of the rated instrument

Instrument	Complexity Indicator
Fund-based: Term Loan	Simple
Fund-based: others	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](#)

**Annexure-I: Instrument details**

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Term Loan	February 2021	9.05%	March 2026	65.00	[ICRA]D ; ISSUER NOT COOPERATING
NA	GECL Loan	February 2021	9.05%	March 2026	20.00	[ICRA]D ; ISSUER NOT COOPERATING
NA	Fund based	NA	NA	NA	25.00	[ICRA]D ; ISSUER NOT COOPERATING

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

**Annexure-II: List of entities considered for consolidated analysis: Not Applicable**

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