

## Press Release

KDAC Chem Private Limited

October 10, 2022



### Rating Reaffirmed and Issuer not co-operating

| Product                            | Quantum (Rs. Cr) | Long Term Rating                                  | Short Term Rating                                 |
|------------------------------------|------------------|---|---|
| Bank Loan Ratings                  | 0.50             | -   | ACUITE A4   Reaffirmed   Issuer not co-operating* |
| Bank Loan Ratings                  | 59.72            | ACUITE B+   Reaffirmed   Issuer not co-operating* | -   |
| Total Outstanding Quantum (Rs. Cr) | 60.22            | -   | -   |
| Total Withdrawn Quantum (Rs. Cr)   | 0.00             | -   | -   |

### Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE B+**' (read as **ACUITE B plus**) and short-term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.60.22 Cr bank facilities of KDAC Chem Private Limited(KCPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

### About the Company

KCPL (the erstwhile Dhruv Transchem Private Limited) is a Vadodara -based company incorporated in 2003 by Mr. Hasmukh Shah and Mr. Tansukhr ai Gaur. The company is engaged in the manufacture of aromatic chemicals and has its manufacturing unit at Nadesari, Vadodara. The company is operating capacity is 4000 tonnes per annum.

### Non-cooperation by the issuer/borrower:

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date.

Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

### Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuite endeavored to gather information about the entity/industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

### About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

### Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

### Material Covenants

None

### Liquidity Position

No information provided by the issuer / available for Acuite to comment upon.

### Outlook

Not Applicable

### Other Factors affecting Rating

Not Applicable

### Status of non-cooperation with previous CRA

None

### Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

### Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

### Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

### Rating History

| Date        | Name of Instruments/Facilities | Term       | Amount (Rs. Cr) | Rating/Outlook                        |
|-------------|--------------------------------|------------|-----------------|---------------------------------------|
| 13 Jul 2021 | Working Capital Demand Loan    | Long Term  | 19.74           | ACUITE B+ ( Issuer not co-operating*) |
|             | Term Loan                      | Long Term  | 4.95            | ACUITE B+ ( Issuer not co-operating*) |
|             | Term Loan                      | Long Term  | 7.58            | ACUITE B+ ( Issuer not co-operating*) |
|             | Cash Credit                    | Long Term  | 9.00            | ACUITE B+ ( Issuer not co-operating*) |
|             | Proposed Long Term Loan        | Long Term  | 18.45           | ACUITE B+ ( Issuer not co-operating*) |
|             | Bank Guarantee                 | Short Term | 0.50            | ACUITE A4 ( Issuer not co-operating*) |
| 15 Apr 2020 | Term Loan                      | Long Term  | 7.58            | ACUITE B+ (Issuer not co-operating*)  |
|             | Working Capital Demand Loan    | Long Term  | 19.74           | ACUITE B+ (Issuer not co-operating*)  |
|             | Proposed Long Term Loan        | Long Term  | 18.45           | ACUITE B+ (Issuer not co-operating*)  |
|             | Bank Guarantee                 | Short Term | 0.50            | ACUITE A4 (Issuer not co-operating*)  |

|             |                             |            |       |  |
|-------------|-----------------------------|------------|-------|--|
|             | Term Loan                   | Long Term  | 4.95  | ACUITE B+ (Issuer not co-operating*)                 |
|             | Cash Credit                 | Long Term  | 9.00  | ACUITE B+ (Issuer not co-operating*)                 |
| 01 Feb 2019 | Bank Guarantee              | Short term | 0.50  | ACUITE A4 (Issuer not co-operating*)                 |
|             | Proposed Long Term Loan     | Long Term  | 18.45 | ACUITE B+ (Issuer not co-operating*)                 |
|             | Working Capital Demand Loan | Long Term  | 19.74 | ACUITE B+ (Issuer not co-operating*)                 |
|             | Term Loan                   | Long Term  | 7.58  | ACUITE B+ (Issuer not co-operating*)                 |
|             | Cash Credit                 | Long Term  | 9.00  | ACUITE B+ (Issuer not co-operating*)                 |
|             | Term Loan                   | Long Term  | 4.95  | ACUITE B+ (Issuer not co-operating*)                 |
| 15 Dec 2017 | Term Loan                   | Long Term  | 4.95  | ACUITE B+   Stable (Reaffirmed)                      |
|             | Term Loan                   | Long Term  | 7.58  | ACUITE B+   Stable (Reaffirmed)                      |
|             | Working Capital Demand Loan | Long Term  | 19.74 | ACUITE B+   Stable (Reaffirmed)                      |
|             | Cash Credit                 | Long Term  | 9.00  | ACUITE B+   Stable (Reaffirmed)                      |
|             | Proposed Long Term Loan     | Long Term  | 18.33 | ACUITE B+   Stable (Reaffirmed)                      |
|             | Bank Guarantee              | Short Term | 0.50  | ACUITE A4 (Reaffirmed)                               |
|             | Derivative Exposure         | Short Term | 0.12  | ACUITE A4 (Reaffirmed)                               |
|             | Term Loan                   | Long Term  | 4.95  | ACUITE B+   Stable (Upgraded from ACUITE B   Stable) |
|             |                             | Long       |       | ACUITE B+   Stable (Upgraded from ACUITE B   Stable) |
| 08 Sep 2016 | Term Loan                   | Term       | 7.58  | ACUITE B   Stable                                    |
|             | Cash Credit                 | Long Term  | 9.00  | ACUITE B+   Stable (Upgraded from ACUITE B   Stable) |
|             | Working Capital Term Loan   | Long Term  | 19.74 | ACUITE B+   Stable (Upgraded from ACUITE B   Stable) |
|             | Bank Guarantee              | Short Term | 0.50  | ACUITE A4 (Reaffirmed)                               |
|             | Derivative Exposure         | Short Term | 0.12  | ACUITE A4 (Reaffirmed)                               |
|             | Proposed Long Term Loan     | Long Term  | 18.33 | ACUITE B+   Stable (Assigned)                        |
|             | Term Loan                   | Long Term  | 5.30  | ACUITE B+   Stable (Withdrawn)                       |
| 26 Nov 2015 | Term Loan                   | Long Term  | 5.75  | ACUITE B   Stable (Upgraded from ACUITE D)           |
|             | Term Loan                   | Long Term  | 8.81  | ACUITE B   Stable (Upgraded from ACUITE D)           |
|             | Term Loan                   | Long Term  | 5.30  | ACUITE B   Stable (Upgraded from ACUITE D)           |
|             | Cash Credit                 | Long Term  | 9.00  | ACUITE B   Stable (Upgraded from ACUITE D)           |
|             | Working Capital Term Loan   | Long Term  | 30.74 | ACUITE B   Stable (Upgraded from ACUITE D)           |

|             |                           |            |       |                                    |
|-------------|---------------------------|------------|-------|------------------------------------|
|             | Bank Guarantee            | Short Term | 0.50  | ACUITE A4 (Upgraded from ACUITE D) |
|             | Derivative Exposure       | Short Term | 0.12  | ACUITE A4 (Upgraded from ACUITE D) |
| 03 Dec 2014 | Term Loan                 | Long Term  | 5.75  | ACUITE D (Assigned)                |
|             | Term Loan                 | Long Term  | 8.81  | ACUITE D (Assigned)                |
|             | Term Loan                 | Long Term  | 5.30  | ACUITE D (Assigned)                |
|             | Cash Credit               | Long Term  | 9.00  | ACUITE D (Assigned)                |
|             | Working Capital Term Loan | Short Term | 30.74 | ACUITE D (Assigned)                |
|             | Bank Guarantee            | Short Term | 0.50  | ACUITE D (Assigned)                |
|             | Derivative Exposure       | Short Term | 0.12  | ACUITE D (Assigned)                |

## Annexure - Details of instruments rated

| Lender's Name       | ISIN           | Facilities                          | Date Of Issuance | Coupon Rate    | Maturity Date  | Quantum (Rs. Cr.) | Rating   |
|---------------------|----------------|-------------------------------------|------------------|----------------|----------------|-------------------|--|
| State Bank of India | Not Applicable | Bank Guarantee/Letter of Guarantee  | Not Applicable   | Not Applicable | Not Applicable | 0.50              | ACUITE A4<br> <br>Reaffirmed<br>  Issuer not co-operating* |
| State Bank of India | Not Applicable | Cash Credit                         | Not Applicable   | Not Applicable | Not Applicable | 9.00              | ACUITE B+<br> <br>Reaffirmed<br>  Issuer not co-operating* |
| Not Applicable      | Not Applicable | Proposed Long Term Loan             | Not Applicable   | Not Applicable | Not Applicable | 18.45             | ACUITE B+<br> <br>Reaffirmed<br>  Issuer not co-operating* |
| State Bank of India | Not Applicable | Term Loan                           | Not available    | Not available  | Not available  | 4.95              | ACUITE B+<br> <br>Reaffirmed<br>  Issuer not co-operating* |
| State Bank of India | Not Applicable | Term Loan                           | Not available    | Not available  | Not available  | 7.58              | ACUITE B+<br> <br>Reaffirmed<br>  Issuer not co-operating* |
| State Bank of India | Not Applicable | Working Capital Demand Loan (WC DL) | Not available    | Not available  | Not available  | 19.74             | ACUITE B+<br> <br>Reaffirmed<br>  Issuer not co-operating* |

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### About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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