

Press Release

Raj Chem Plast

September 27, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	10.00	-	ACUITE D Reaffirmed Issuer not co-operating*
Bank Loan Ratings	25.00	ACUITE D Reaffirmed Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	35.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE D**' (read as **ACUITE D**) and short term rating of '**ACUITE D**' (read as **ACUITE D**) on the Rs. 35.00 crore bank facilities of Raj Chem Plast (RCP). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

About the Company

Raj Chem Plast (RCP) is the proprietorship firm established in 1990 by Mr. Raj Kumar Agarwal which is an authorized Del Credere Agent (DCA) for GAIL India Limited for polymers in Tamil Nadu and Pondicherry. Mr. Raj Kumar Agarwal, proprietor having more than two decades of experience in the plastic, chemicals and steel trading business by associating with other group companies.

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

None

Status of non-cooperation with previous CRA

None

Any other information

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

Applicable Criteria

- Trading Entities: <https://www.acuite.in/view-rating-criteria-61.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
05 Jul 2021	Secured Overdraft	Long Term	20.00	ACUITE D (Issuer not co-operating*)
	Bills Discounting	Long Term	5.00	ACUITE D (Issuer not co-operating*)
	Bank Guarantee	Short Term	10.00	ACUITE D (Issuer not co-operating*)
08 Apr 2020	Bills Discounting	Long Term	5.00	ACUITE D (Issuer not co-operating*)
	Secured Overdraft	Long Term	20.00	ACUITE D (Issuer not co-operating*)
	Bank Guarantee	Short Term	10.00	ACUITE D (Issuer not co-operating*)
25 Jan 2019	Secured Overdraft	Long Term	20.00	ACUITE D (Downgraded from ACUITE BB Stable)
	Bills Discounting	Long Term	5.00	ACUITE D (Downgraded from ACUITE BB Stable)
	Bank Guarantee	Short Term	10.00	ACUITE D (Downgraded from ACUITE A4+)
	Secured Overdraft	Long Term	20.00	ACUITE BB Stable (Reaffirmed)

27 Nov 2017	Bills Discounting	Long Term	5.00	ACUITE BB Stable (Reaffirmed)
	Bank Guarantee	Short Term	10.00	ACUITE A4+ (Reaffirmed)
19 Sep 2016	Secured Overdraft	Long Term	20.00	ACUITE BB Stable (Reaffirmed)
	Bills Discounting	Long Term	5.00	ACUITE BB Stable (Reaffirmed)
	Bank Guarantee	Short Term	10.00	ACUITE A4+ (Reaffirmed)
16 Jul 2015	Secured Overdraft	Long Term	20.00	ACUITE BB Stable (Assigned)
	Bills Discounting	Long Term	5.00	ACUITE BB Stable (Assigned)
	Bank Guarantee	Short Term	10.00	ACUITE A4+ (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Tamilnad Mercantile Bank Limited	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE D Reaffirmed Issuer not co-operating*
Tamilnad Mercantile Bank Limited	Not Applicable	Bills Discounting	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE D Reaffirmed Issuer not co-operating*
Tamilnad Mercantile Bank Limited	Not Applicable	Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	20.00	ACUITE D Reaffirmed Issuer not co-operating*

Contacts

Analytical	Rating Desk
<p>Pooja Ghosh Vice President-Rating Operations Tel: 022-49294041 pooja.ghosh@acuite.in</p> <p>Abhishek Singh Analyst-Rating Operations Tel: 022-49294065 abhishek.s@acuite.in</p>	<p>Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuite.in</p>

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.

Disclaimer: An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Ratings assigned by Acuité are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind, arising from the use of its ratings. Ratings assigned by Acuité are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité.