

Press Release

Blue Phosphate Limited

January 06, 2020



Rating Update

Total Bank Facilities Rated*	Rs. 42.00 Cr.#
Long Term Rating	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
Short Term Rating	ACUITE A4 Issuer not co-operating*

#Refer Annexure for details

*The issuer did not co-operate; based on best available information.

Acuité has downgraded the long term rating to '**ACUITE B+** (read as ACUITE B plus) from '**ACUITE BB-**' (read as ACUITE double B minus) and review the short-term rating of '**ACUITE A4**' (read as ACUITE A four) on the Rs.42.00 crore bank facilities of Blue Phosphate Limited (BPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

Blue Phosphate Limited (BPL) is an Udaipur-based company incorporated in 2009 and promoted by Mr. Kayum R. Dhanani, Mr. Anil Sethia and Mr. Zafar Ullah Khan. The company is engaged in the manufacturing of powdered Single Super Phosphate (SSP) and Granular Single Super Phosphate (GSSP) at Udaipur (Rajasthan). The company commenced production in March, 2015. The company derives around 17 per cent of the revenue from exports to Dubai, while remaining 83 per cent is derived from domestic market wherein it has a network of around 100-200 dealers spread across the country. The company imports around 42 per cent of the purchases from middle-eastern countries and remaining 58 per cent from domestic supplier.

Non-cooperation by the issuer/borrower:

Acuité 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.

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

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities- <https://www.acuite.in/view-rating-criteria-59.htm>

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). Acuité endeavoured to gather information about the entity/industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

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

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

About the Rated Entity - Key Financials

The rated entity has not shared the latest Financial Statements despite repeated attempts.

Status of non-cooperation with previous CRA (if applicable)

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

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
October 15, 2019	Cash Credit	Long Term	8.00^	ACUITE BB- Issuer not cooperating*
	Term Loans	Long Term	7.00 (Reduced from Rs.10.50 crore)	ACUITE BB- Issuer not cooperating*
	Letter of Credit	Short Term	10.00#	ACUITE A4 Issuer not cooperating*
	Proposed Cash Credit	Long Term	17.00	ACUITE BB- Issuer not cooperating*
27-Jul-2018	Cash Credit	Long Term	8.00^	ACUITE BB- / Stable (Upgraded from ACUITE B+/Stable)
	Term Loans	Long Term	7.00 (Reduced from Rs.10.50 crore)	ACUITE BB- / Stable (Upgraded from ACUITE B+/Stable)
	Letter of Credit	Short Term	10.00#	ACUITE A4 (Reaffirmed)
	Proposed Cash Credit	Long Term	17.00	ACUITE BB- / Stable (Upgraded from ACUITE B+/Stable)
28-Apr-2017	Cash Credit	Long Term	8.00^	ACUITE B+ / Stable (Downgraded from ACUITE BB-/Stable)
	Term Loans	Long Term	10.50 (reduced from Rs.12.00 crore)	ACUITE B+ / Stable (Downgraded from ACUITE BB-/Stable)
	Letter of Credit	Short Term	15.00# (reduced from Rs.20.00 crore)	ACUITE A4 (Reaffirmed)
	Proposed Cash Credit	Short Term	8.50	ACUITE A4 (Reaffirmed)

[^] Cash credit Limit includes sub limit of export packing credit (EPC) to the extent of Rs. 5.50 crore and foreign bill discounting (FBD) to the extent of Rs. 5.50 crore. # Letter of credit includes sublimit of bank guarantee of Rs. 2.00 crore

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	8.00^	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
Term Loans	Not Available	Not Applicable	Not Available	7.00 (Reduced from Rs.10.50 crore)	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*

Letter of Credit	Not Applicable	Not Applicable	Not Applicable	10.00#	ACUITE A4 Issuer not co-operating*
Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	17.00	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*

[^] Cash credit Limit includes sub limit of export packing credit (EPC) to the extent of Rs. 5.50 crore and foreign bill discounting (FBD) to the extent of Rs. 5.50 crore. # Letter of credit includes sublimit of bank guarantee of Rs. 2.00 crore

Contacts

Analytical	Rating Desk
Pooja Ghosh Head- Corporate and Infrastructure Sector Ratings Tel: 033-6620 1203 pooja.ghosh@acuite.in Shubham Ghosh Analyst - Rating Operations Tel: 033-6620-1212 shubham.ghosh@acuite.in	Varsha Bist Senior Manager - Rating Desk Tel: 022-49294011 rating.desk@acuite.in

About Acuité Ratings & Research:

Acuité Ratings & Research Limited is a full-service Credit Rating Agency registered with the Securities and 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. Since then, it has assigned more than 6,000 credit 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 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. Acuité ratings 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. Acuité ratings 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.