Press Release

Kay Hardware

December 23, 2019

Rating Update

Total Bank Facilities Rated*	Rs.9.50 Cr.#
Long Term Rating	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 reviewed long-term rating of **'ACUITE B' (read as ACUITE B) 'ACUITE BB' (read as ACUITE double B)** and short term rating of '**ACUITE A4+' (read as ACUITE A four plus)** on the Rs.9.50 crore bank facilities of Kay Hardware. This rating is now an indicative rating and is based on best available information.

'ACUITE A4 (read as ACUITE A four) on the Rs.9.50 crore bank facilities of Kay Hardware. This rating is now an indicative rating and is based on best available information.

Kay Hardware, established in 1999, is an Uttar Pradesh-based hardware manufacturer and exporter of brass door handles, brass handrail brackets, brass door knockers among others. The firm was promoted by Mr. Mahesh Agarwal, Mr. Piyush Agarwal and Mr. Mayank Agarwal and the manufacturing facility is located at Aligarh (Uttar Pradesh). For 2015-16, Kay Hardware reported net profit after tax (PAT) of Rs.2.44 crore on operating income of Rs.17.07 crore as against PAT of Rs.1.91 crore on operating income of Rs.19.09 crore. The tangible net worth stood at Rs.3.85 crore as on 31 March, 2016 as against Rs.4.21 crore in the previous year.

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 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/criteria-default.htm
- Manufaturing Entities - https://www.acuite.in/view-rating-criteria-4.htm
- Financial Ratios and Adjustments: https://www.acuite.in/view-rating-criteria-20.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.

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
26-Sep-2018	Packing Credit	Short Term	7.00	ACUITE A4+ Issuer not co-operating*
	Post Shipment Credit	Short Term	1.00	ACUITE A4+ Issuer not co-operating*
	Term Loan-I	Long Term	0.34	ACUITE BB Issuer not cooperating*
	Term Loan-II	Long Term	0.13	ACUITE BB Issuer not cooperating*
	Term Loan-III	Long Term	0.22	ACUITE BB Issuer not cooperating*
	Proposed Facilities	Short Term	0.81	ACUITE A4+ Issuer not co-operating*
21-Aug-2017	Packing Credit	Short Term	7.00	ACUITE A4+ (Reaffirmed)
	Post Shipment Credit	Short Term	1.00	ACUITE A4+ (Reaffirmed)
	Term Loan-I	Long Term	0.34	ACUITE BB/Stable (Reaffirmed)
	Term Loan-II	Long Term	0.13	ACUITE BB/Stable (Reaffirmed)
	Term Loan-III	Long Term	0.22	ACUITE BB/Stable (Assigned)
	Proposed Facilities	Short Term	0.81	ACUITE A4+ (Assigned)
10-Jul-2017	Packing Credit	Short Term	7.00	ACUITE A4+ (Reaffirmed)
	Post Shipment	Short Term	1.00	ACUITE A4+

	Credit			(Reaffirmed)
	Term Loan	Long Term	0.12	ACUITE BB/ Stable (Reaffirmed)
	Term Loan	Long Term	0.38	ACUITE BB/Stable (Reaffirmed))

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

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Packing Credit	Not Applicable	Not Applicable	Not Applicable	7.00	ACUITE A4+ Issuer not co-operating*
Post Shipment Credit	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE A4+ Issuer not co-operating*
Term Loans	Not Applicable	Not Applicable	Not Applicable	0.34	ACUITE BB Issuer not cooperating*
Term Loans	Not Applicable	Not Applicable	Not Applicable	0.13	ACUITE BB Issuer not cooperating**
Term Loans	Not Applicable	Not Applicable	Not Applicable	0.22	ACUITE BB Issuer not cooperating*
Proposed Short Term Loan	Not Applicable	Not Applicable	Not Applicable	0.81	ACUITE A4+ Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
Pooja Ghosh Head- Corporate and Infrastructure Sector Ratings Tel: 033-6620 1203 pooja.ghosh@acuite.in Priyanka Rathi Analyst - Rating Operations Tel: 033-6620-1210 priyanka.rathi@acuite.in	Varsha Bist Manager - Rating Desk Tel: 022-49294011 rating.desk@acuite.in

About Acuité Ratings & Research:

Acuité Ratings & Research Limited *(Erstwhile SMERA Ratings 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.