

Press Release

Kay Hardware

December 29, 2020



Rating Update

Total Bank Facilities Rated*	Rs. 9.50 Cr.
Long Term Rating	ACUITE BB- (Downgraded and Withdrawn; Indicative)
Short Term Rating	ACUITE A4 (Downgraded and Withdrawn; Indicative)

* Refer Annexure for details

Rating Rationale

Acuité has downgraded and withdrawn the long term rating to '**ACUITE BB-**' (**read as ACUITE double B minus**) from '**ACUITE BB**' (**read as ACUITE double B**) and the short term rating to '**ACUITE A4**' (**read as ACUITE A four**) from '**ACUITE A4+**' (**read as ACUITE four plus**) on the Rs. 9.50 crore bank facilities of Kay Hardware. The rating continues to be an indicative rating and is based on the 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).

The rating has been withdrawn on account of request received from the company and NOC received from the banker as per Acuité's policy. The rating is downgraded on account of information risk and non-submission of relevant information sought from the company for review of ratings.

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.

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 requests

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

Not Applicable

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

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

Note on complexity levels of the rated instrument

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

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
23-Dec-2019	Packing Credit	Short Term	7.00	ACUITE A4+ (Indicative)
	Proposed Short Term Loan	Short Term	0.81	ACUITE A4+ (Indicative)
	Post Shipment Credit	Short Term	1.00	ACUITE A4+ (Indicative)
	Term Loan	Long Term	0.22	ACUITE BB (Indicative)
	Term Loan	Long Term	0.13	ACUITE BB (Indicative)
	Term Loan	Long Term	0.34	ACUITE BB (Indicative)
26-Sep-2018	Proposed Short Term Loan	Short Term	0.81	ACUITE A4+ (Indicative)
	Term Loan	Long Term	0.22	ACUITE BB (Indicative)
	Term Loan	Long Term	0.13	ACUITE BB (Indicative)
	Term Loan	Long Term	0.34	ACUITE BB (Indicative)
	Post Shipment Credit	Short Term	1.00	ACUITE A4+ (Indicative)
	Packing Credit	Short Term	7.00	ACUITE A4+ (Indicative)
21-Aug-2017	Packing Credit	Short Term	7.00	ACUITE A4+ (Reaffirmed)
	Post Shipment Credit	Short Term	1.00	ACUITE A4+ (Reaffirmed)
	Term Loan	Long Term	0.34	ACUITE BB Stable (Reaffirmed)
	Term Loan	Long Term	0.13	ACUITE BB/ Stable (Reaffirmed)
	Term Loan	Long Term	0.22	ACUITE BB/Stable (Assigned)
	Proposed Short Term Loan	Short Term	0.81	ACUITE A4+ (Assigned)
10-Jul-2017	Packing Credit	Short Term	7.00	ACUITE A4+ (Reaffirmed)
	Post Shipment Credit	Short Term	1.00	ACUITE A4+ (Reaffirmed)
	Term Loan	Long Term	0.12	ACUITE BB/Stable (Reaffirmed)
	Term Loan	Short Term	0.38	ACUITE BB/Stable (Reaffirmed)

16-May-2017	Packing Credit	Short Term	4.00	ACUITE A4+ (Indicative)
	Post Shipment Credit	Short Term	1.00	ACUITE A4+ (Indicative)
	Term Loan	Long Term	0.95	ACUITE BB (Indicative)
	Proposed Short Term Loan	Short Term	2.55	ACUITE A4+ (Indicative)
28-Dec-2015	Packing Credit	Short Term	4.00	ACUITE A4+ (Assigned)
	Post Shipment Credit	Short Term	1.00	ACUITE A4+ (Assigned)
	Term Loan	Long Term	0.95	ACUITE BB/Stable (Assigned)
	Proposed Cash Credit	Short Term	2.55	ACUITE A4+ (Assigned)

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Packing Credit	Not Applicable	Not Applicable	Not Applicable	7.00	ACUITE A4 (Downgraded & Withdrawn; Indicative)
Proposed Short Term Loan	Not Applicable	Not Applicable	Not Applicable	0.81	ACUITE A4 (Downgraded & Withdrawn; Indicative)
Post Shipment Credit	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE A4 (Downgraded & Withdrawn; Indicative)
Term Loan	Not Available	Not Applicable	Not Available	0.34	ACUITE BB- (Downgraded & Withdrawn; Indicative)
Term Loan	Not Available	Not Applicable	Not Available	0.13	ACUITE BB- (Downgraded & Withdrawn; Indicative)
Term Loan	Not Available	Not Applicable	Not Available	0.22	ACUITE BB- (Downgraded & Withdrawn; Indicative)

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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 8,495 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.

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