

Press Release

Scottish Chemical Industries

December 09, 2019



Rating Update

Total Bank Facilities Rated*	Rs. 15.00 Cr.#
Short Term Rating	ACUITE A4 (Downgraded from ACUITE A3) Issuer not co-operating*

#Refer Annexure for details

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

Rating Rationale

Acuité has downgraded short-term rating to '**ACUITE A4' (read as ACUITE A four)** from '**ACUITE A3' (read as ACUITE A three)** on the Rs. 15.00 crore bank facilities of SCOTTISH CHEMICAL INDUSTRIES. The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

Scottish Chemical Industries was established in 1984 by Mr. Kamal Khandelwal (Managing Director). The firm is one of the manufacturer and exporter of Hexachloroethane and foundry chemicals. The firm caters to the foundry industries. The company has 5 manufacturing units (4 units at Taloja and 1 unit in China) and 2 electricity wind mills.

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.

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

Applicable Criteria

- Default Recognition: <https://www.acuite.in/view-rating-criteria-17.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-4.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 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.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
10-Jan-19	Post Shipment Credit	Short Term	15.00	ACUITE A3 (Indicative)
01-Nov-17	Post Shipment Credit	Short Term	15.00	ACUITE A3 (Indicative)

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Post Shipment Credit	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE A4 (Downgraded from ACUITE A3) Issuer not co-operating*

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

Contacts

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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.

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