

## Press Release

### Associated Chemical Corporation

November 10, 2021

### Rating Update



<b>Total Bank Facilities Rated*</b>	Rs. 32.50 Cr.#
<b>Long Term Rating</b>	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
<b>Short Term Rating</b>	ACUITE A4 Issuer not co-operating*

#Refer Annexure for details

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

Acuite has downgraded the long-term rating to '**ACUITE B+**' (read as **ACUITE B plus**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) and reviewed the short-term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs. 32.50 crore bank facilities of Associated Chemical Corporation. The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

Incorporated in 2005, Associated Chemical Corporation is a proprietorship firm established by Mr. Ketan S. Mehta in Mumbai. The firm is engaged as a distributor of Yarn Dyed Fabric, Terry Towel, Home Furnishing Fabric, Digital Printed Fabric, Spandex Yarn, Bed Linen etc. The firm is catering to different industries counting from textile petroleum, paper, chemicals and pharmaceuticals industries.

#### 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 non-cooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating continues to be flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

#### Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Trading Entities - <https://www.acuite.in/view-rating-criteria-61.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-53.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). 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.

**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 requests.

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

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.

### Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
17-Aug-2020	Cash Credit	Long Term	6.00	ACUITE BB- (Downgraded from ACUITE BB/Stable) Issuer not co-operating*
	Letter of Credit	Short Term	25.00	ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating*
	Bank Guarantee	Short Term	1.50	ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating*
07-Jun-2019	Cash Credit	Long Term	6.00	ACUITE BB/Stable (Reaffirmed)
	Letter of Credit	Short Term	25.00	ACUITE A4+ (Reaffirmed)
	Bank Guarantee	Short Term	1.50	ACUITE A4+ (Reaffirmed)
28-Mar-2018	Cash Credit	Long Term	6.00	ACUITE BB/Stable (Reaffirmed)
	Letter of Credit	Short Term	25.00	ACUITE A4+ (Reaffirmed)
	Bank Guarantee	Short Term	1.50	ACUITE A4+ (Reaffirmed)

### #Annexure – Details of instruments rated

Lender Name	Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Tamilnad Mercantile Bank Limited	Cash Credit	Not Applicable	Not Applicable	Not Applicable	6.00	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
Tamilnad Mercantile Bank Limited	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	25.00	ACUITE A4 Issuer not co-operating*
Tamilnad Mercantile Bank Limited	Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	1.50	ACUITE A4 Issuer not co-operating*

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

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**About Acuite Ratings & Research:**

Acuite 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 8,850 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 Kanjurmarg, Mumbai.

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