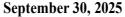


## **Press Release** CHANDAN TRADING CORPORATION



# Rating Downgraded and Issuer not co-operating



Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating			
Bank Loan Ratings	6.80	ACUITE B-   Downgraded   Issuer not cooperating*	-			
Total Outstanding Quantum (Rs. Cr)	6.80	-	-			
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-			
* The issuer did not co-operate: based on best available information.						

#### **Rating Rationale**

Acuité has downgraded the long-term rating to 'ACUITE B-' (read as ACUITE B minus) from 'ACUITE B' (read as ACUITE B) on the Rs. 6.80 crore bank facilities of Chandan Trading Corporation on account of information risk. The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

#### **About the Company**

Chandan Trading Corporation (CTC) is a Bangalore-based partnership firm established in 1982. The firm is a wholesaler and retailer of wires and cables. Chandan Trading Corporation (CTC) is led by partners, Mr Anil Kothari and Mrs Meena Kothari who possess experience of two decades in the industry.

#### **Unsupported Rating**

Not Applicable

#### 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. 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.

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

#### Limitation regarding information availability

This rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). Acuite endeavoured to gather information about the entity/industry from the public domain. Any rating with the suffix 'Issuer not cooperating' is assigned without any management interaction with the issuer entity or any data / information from the entity. Sometimes this non co-operation by a rated entity may be due to a result of deterioration in the credit risk profile of the entity. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

#### **Rating Sensitivity**



# **Liquidity Position**

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

### Outlook

Not Applicable

# Other Factors affecting Rating

None

#### **Key Financials**

<b>Particulars</b>	Unit	FY 16 (Actual)	FY 15 (Actual)
Operating Income	Rs. Cr.	43.28	49.36
PAT	Rs. Cr.	1.58	2.38
PAT Margin	(%)	3.64	4.82
Total Debt/Tangible Net Worth	Times	(13455.79)	(14616.60)
PBDIT/Interest	Times	2.56	4.46

Status of non-cooperation with previous CRA

Not Applicable

#### Any other information

None

#### Applicable Criteria

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

#### Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on <a href="https://www.acuite.in">www.acuite.in</a>.

# **Rating History**

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
08 Jul 2024	Cash Credit	Long Term	6.80	ACUITE B (Downgraded & Issuer not co-operating* from ACUITE B+)
11 Apr 2023	Cash Credit	Long Term	6.80	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
17 Jan 2022	Cash Credit	Long Term	6.80	ACUITE B+ (Downgraded & Issuer not co-operating* from ACUITE BB-)

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

#### Annexure - Details of instruments rated

Lende Nan	ie		racinues	Date Of Issuance	Coupon Rate		Quantum (Rs. Cr.)	Complexity Level	Rating
Unio Bank India	of N	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	6.80	Simple	ACUITE B-   Downgraded   Issuer not co-operating* ( from ACUITE B)

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

# Disclosure of list of non-cooperative issuers

- Listed :- https://www.acuite.in/Non-Cooperative\_Issuer\_Listed.php Unlisted :- https://www.acuite.in/Non-Cooperative\_Issuer\_Unlisted.php

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#### About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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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**Note:** None of the Directors on the Board of Acuité Ratings & Research Limited are members of any rating committee and therefore do not participate in discussions regarding the rating of any entity.