

Press Release

Industrial Associates

August 14, 2020



Rating Update

Total Bank Facilities Rated*	Rs. 15.00 Cr. #
Long Term Rating	ACUITE BB- (Downgraded from ACUITE BB Issuer non-cooperating*)
Short Term Rating	ACUITE A4 (Downgraded from ACUITE A4+ Issuer non-cooperating*)

Refer Annexure for details

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

Acuité has downgraded the long-term rating to '**ACUITE BB-**' (**read as ACUITE BB minus**) from '**ACUITE BB**' (**read as ACUITE double BB**) and the short term rating to '**ACUITE A4**' (**read as ACUITE A four**) from '**ACUITE A4+**' (**read as ACUITE A four plus**) on the Rs.15.00 Crore bank facilities of Industrial Associates. This rating is now an indicative rating and is based on the best available information. The rating downgrade is on account of information risk.

Industrial Associates (IA) established in 1969, a partnership firm, is engaged in manufacturing and trading in refractory materials used in lining furnaces, kilns, fireboxes, and fireplaces. The firm primarily deals in firebricks and its product profile includes fireclay, high-grade alumina, monolithic, and other basic and special purpose refractories. It also trades in insulation materials and designs insulation systems for kilns and ovens. The firm has two manufacturing units in West Bengal with total capacities of 2000 tonnes per month. It is a part of the Industrial Associates group.

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.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure entities - <https://www.acuite.in/view-rating-criteria-51.htm>
- Financial Ratios and Adjustments- <https://www.acuite.in/view-rating-criteria-53.htm>
- Trading Entities: <https://www.acuite.in/view-rating-criteria-61.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 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
27 May 2019	Cash credit	Long Term	11.75	ACUITE BB / Stable (Reaffirmed)
	Bank Guarantee	Short Term	3.25	ACUITE A4+ (Reaffirmed)
09 March 2018	Cash credit	Long Term	11.75	ACUITE BB / Stable (Reaffirmed)
	Bank Guarantee	Short Term	3.25	ACUITE A4+ (Reaffirmed)
24 February 2017	Cash credit	Long Term	11.75	ACUITE BB/Stable (Assigned)
	Bank Guarantee	Short Term	3.25	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
Cash credit	Not Applicable	Not Applicable	Not Applicable	11.75	ACUITE BB- Downgraded & Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	3.25	ACUITE A4 Downgraded & Issuer not co-operating*

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

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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 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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