

Press Release

Ambani Organics Limited (Erstwhile Ambani Organics Private Limited)

May 30, 2022



Rating Downgraded & Withdrawn and Issuer not co- operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Ratings Loan	16.07	-	ACUITE A4 Downgraded & Withdrawn Issuer not co-operating*
Bank Ratings Loan	18.69	ACUITE BB- Downgraded & Withdrawn Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	34.76	-	-

Rating Rationale

Acuite has withdrawn & downgraded the long-term rating to '**ACUITE BB-**' (read as **ACUITE double B minus**) from 'ACUITE BB' (read as ACUITE double B) and short term rating to '**ACUITE A4**' (read as **ACUITE A four**) from 'ACUITE A4+' (read as ACUITE A four plus) on the Rs.34.76 Cr bank facilities of Ambani Organics Limited (AOL). This rating is now an indicative rating and is based on best available information. The rating is being withdrawn on account of request received from the company and NOC received from the banker as per Acuite's withdrawal policy.

About the Company

Ambani Organics Limited is a Maharashtra based Company incorporated in the year 1985 as a Private Limited Company. Later in the year 2017, the constitution of the company was changed to Public Limited and got listed in NSE in the year 2018. The company is engaged in manufacturing specialty chemicals that are extensively used in the industries like Paint, Paper, Automobile and Agriculture among others. The company has two manufacturing units located at Tarapur-Maharashtra with combined manufacturing capacity of 15300MTPA. The capacity utilization stood at around 74.29 percent in FY2021 as against 71.42 percent in FY2020. Rakesh Hasmukhlal Shah is the managing director and other Directors of AMBANI ORGANICS LIMITED are RAKESH HASMUKHLAL SHAH, APOONI RAKESH SHAH, SHARAD P KOTHARI, SANJAY NATWARLAL MEHTA, PRAKASH ANNA MAHANWAR, and DILIPKUMAR VIKAMCHAND MEHTA.

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. Acuité believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with an 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

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 endeavored 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.

Rating Sensitivities

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

Material Covenants

None

Liquidity Position

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

Outlook

Not Applicable

Key Financials:

The rated entity has not shared the latest financial statements despite repeated requests.

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
09 Apr 2021	Term Loan	Long Term	4.00	ACUITE BB Stable (Assigned)
	Term Loan	Long Term	1.21	ACUITE BB Stable (Reaffirmed)
	Term Loan	Long Term	0.98	ACUITE BB Stable (Assigned)
	Cash Credit	Long Term	12.50	ACUITE BB Stable (Reaffirmed)
	Letter of Credit	Short Term	15.50	ACUITE A4+ (Reaffirmed)
	Proposed Bank Facility	Short Term	0.57	ACUITE A4+ (Reaffirmed)

25 Jul 2019	Letter of Credit	Short term	12.25	ACUITE A4+ (Reaffirmed)
	Proposed Bank Facility	Short term	6.00	ACUITE A4+ (Reaffirmed)
	Term Loan	Long Term	1.86	ACUITE BB Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	4.90	ACUITE BB Stable (Reaffirmed)
	Cash Credit	Long Term	9.75	ACUITE BB Stable (Reaffirmed)
15 Nov 2018	Cash Credit	Long Term	13.50	ACUITE BB Stable (Upgraded from ACUITE B+ Stable)
	Term Loan	Long Term	1.66	ACUITE BB Stable (Upgraded from ACUITE B+ Stable)
	Proposed Bank Facility	Long Term	1.35	ACUITE BB Stable (Upgraded from ACUITE B+ Stable)
	Letter of Credit	Short Term	18.25	ACUITE A4+ (Upgraded from ACUITE A4)
04 Apr 2018	Cash Credit	Long Term	9.75	ACUITE B+ Stable (Reaffirmed)
	Term Loan	Long Term	2.00	ACUITE B+ Stable (Reaffirmed)
	Proposed Long Term Loan	Long Term	1.37	ACUITE B+ Stable (Reaffirmed)
	Term Loan	Long Term	0.61	ACUITE B+ Stable (Withdrawn)
	Letter of Credit	Short Term	12.25	ACUITE A4 (Reaffirmed)
29 May 2017	Cash Credit	Long Term	9.75	ACUITE B+ Stable (Assigned)
	Term Loan	Long Term	2.60	ACUITE B+ Stable (Assigned)
	Letter of Credit	Short Term	2.25	ACUITE A4 (Assigned)
	Term Loan	Long Term	0.61	ACUITE B+ Stable (Assigned)
	Proposed Long Term Loan	Long Term	0.16	ACUITE B+ Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Union Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	12.50	ACUITE BB- Downgraded & Withdrawn Issuer not co-operating* (from ACUITE BB)
Union Bank of India	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	15.50	ACUITE A4 Downgraded & Withdrawn Issuer not co-operating* (from ACUITE A4+)
Not Applicable	Not Applicable	Proposed Short Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	0.57	ACUITE A4 Downgraded & Withdrawn Issuer not co-operating* (from ACUITE A4+)
Union Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	4.00	ACUITE BB- Downgraded & Withdrawn Issuer not co-operating* (from ACUITE BB)
Union Bank of India	Not Applicable	Term Loan	Not available	8.00	Not available	0.98	ACUITE BB- Downgraded & Withdrawn Issuer not co-operating* (from ACUITE BB)
Union Bank of India	Not Applicable	Term Loan	01-03-2016	Not available	01-03-2023	1.21	ACUITE BB- Downgraded & Withdrawn Issuer not co-operating* (from ACUITE BB)

Contacts

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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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