

## Press Release

### M J Chemicals

April 30, 2021



### Rating Downgraded and Withdrawn

<b>Total Bank Facilities Rated*</b>	Rs.8.00 Cr.
<b>Short Term Rating</b>	ACUITE A4 (Downgraded from ACUITE A4+ and Withdrawn) *Issuer not cooperating

\* Refer Annexure for details

### Rating Rationale

Acuite has withdrawn and downgraded the short term rating to '**ACUITE A4**' (read as **ACUITE A four**) from '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs.8.00 crore bank facilities of M J Chemicals (MJC). The rating withdrawal is in accordance with Acuite's policy on withdrawal of rating. The downgrade is on account of information risk.

The rating is being withdrawn on account of request received from the company and NOC received from the banker.

MJC, established in 1977, is a Mumbai-based firm led by Mr. Mafatlal Shah and Mr. Shailesh Shah engaged in the trading of chemicals and solvents.

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

### Analytical approach

Acuite has considered the standalone financial and business risk profiles of MJC to arrive at this rating.

### 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 endeavoured 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 Unionments despite repeated attempts.

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

Not Applicable

**Any other information**

None

**Rating History (Upto last three years)**

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
04-Feb-2020	Letter of Credit	Short Term	4.00	ACUITE A4+ (Indicative)
	Bank Guarantee	Short Term	3.00	ACUITE A4+ (Indicative)
	Proposed Letter of Credit	Short Term	1.00	ACUITE A4+ (Indicative)
26-Nov-2018	Letter of Credit	Short Term	4.00	ACUITE A4+ (Indicative)
	Bank Guarantee	Short Term	3.00	ACUITE A4+ (Indicative)
	Proposed Letter of Credit	Short Term	1.00	ACUITE A4+ (Indicative)
12-Sep-2017	Letter of Credit	Short Term	4.00	ACUITE A4+ (Assigned)
	Bank Guarantee	Short Term	3.00	ACUITE A4+ (Assigned)
	Proposed Letter of Credit	Short Term	1.00	ACUITE A4+ (Assigned)

**\*Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE A4 (Downgraded from ACUITE A4+ and Withdrawn) *Issuer not cooperating
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE A4 (Downgraded from ACUITE A4+ and Withdrawn) *Issuer not cooperating
Proposed Letter of Credit	Not Available	Not Available	Not Available	1.00	ACUITE A4 (Downgraded from ACUITE A4+ and Withdrawn) *Issuer not cooperating

## Contacts

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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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