

## Press Release

### Ketul Chem Private Limited

April 15, 2022



### Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	39.00	ACUITE BB+   Downgraded   Issuer not co-operating*	-
Bank Loan Ratings	80.00	-	ACUITE A4+   Downgraded   Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	119.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

### Rating Rationale

Acuite has downgraded the long term rating to '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE BBB-**' (read as **ACUITE triple B minus**) and short term rating to **ACUITE A4+** (read as **ACUITE A Four plus**) from '**ACUITE A3**' (read as **ACUITE A three**) on the Rs.119.00 crore bank facilities of Ketul Chem Private Limited (KCPL). The rating is now indicative and is based on the best available information. The rating downgrade is on account of information risk.

### About the Company

Ketul Chem Private Limited (KCPL) was incorporated in the year 1990, is a Mumbai based company. It was set up by Mr. Hasmukh Shah and Mrs. Perna H. Shah and is headed along with Bhupendra Chunilal Shah. The company is an importer of Petrochemicals, Polymers, Rubber & Specialty chemicals and is also involved in manufacturing of Aroma Chemicals & Pharmaceutical Intermediates.

### 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 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 Acuite'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). 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.

### 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

### Other Factors affecting Rating

The rated entity has not shared the latest Financial Statements despite repeated attempts. The rated entity has not shared the latest Financial Statements despite repeated attempts.

### Key Financials

Particulars	Unit	FY 20 (Actual)	FY 19 (Actual)
Operating Income	Rs. Cr.	337.31	520.37
PAT	Rs. Cr.	1.90	3.97
PAT Margin	(%)	0.56	0.76
Total Debt/Tangible Net Worth	Times	0.54	0.54
PBDIT/Interest	Times	2.00	2.33

### Status of non-cooperation with previous CRA

Not Applicable

### Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

### 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>
- Trading Entity: <https://www.acuite.in/view-rating-criteria-61.htm>

### Note on Complexity Levels of the Rated Instrument

None

### Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
22 Jan 2021	Cash Credit	Long Term	3.00	ACUITE BBB- (Withdrawn)
	Letter of Credit	Short Term	35.00	ACUITE A3 (Downgraded from ACUITE A3+)
	Letter of Credit	Short Term	36.00	ACUITE A3 (Withdrawn)
	Letter of Credit	Short Term	30.00	ACUITE A3 (Downgraded from ACUITE A3+)

	Letter of Credit	Short Term	15.00	ACUITE A3 (Downgraded from ACUITE A3+)
	Proposed Bank Facility	Long Term	34.00	ACUITE BBB-   Stable (Assigned)
	Cash Credit	Long Term	5.00	ACUITE BBB-   Stable (Downgraded from ACUITE BBB   Stable)
27 Apr 2019	Letter of Credit	Short Term	36.00	ACUITE A3+ (Reaffirmed)
	Letter of Credit	Short Term	25.00	ACUITE A3+ (Reaffirmed)
	Letter of Credit	Short Term	35.00	ACUITE A3+ (Reaffirmed)
	Cash Credit	Long Term	5.00	ACUITE BBB   Stable (Reaffirmed)
	Letter of Credit	Short Term	15.00	ACUITE A3+ (Reaffirmed)
	Cash Credit	Long Term	3.00	ACUITE BBB   Stable (Reaffirmed)
05 Feb 2018	Cash Credit	Long Term	3.00	ACUITE BBB   Stable (Assigned)
	Cash Credit	Long Term	5.00	ACUITE BBB   Stable (Assigned)
	Letter of Credit	Short Term	36.00	ACUITE A3+ (Assigned)
	Letter of Credit	Short Term	35.00	ACUITE A3+ (Assigned)
	Letter of Credit	Short Term	15.00	ACUITE A3+ (Assigned)
	Letter of Credit	Short Term	25.00	ACUITE A3+ (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
DBS Bank Ltd	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE BB+   Downgraded   Issuer not co-operating* (from ACUITE BBB- )
Yes Bank Ltd	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	35.00	ACUITE A4+   Downgraded   Issuer not co-operating* (from ACUITE A3 )
DBS Bank Ltd	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE A4+   Downgraded   Issuer not co-operating* (from ACUITE A3 )
HDFC Bank Ltd	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	30.00	ACUITE A4+   Downgraded   Issuer not co-operating* (from ACUITE A3 )
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	34.00	ACUITE BB+   Downgraded   Issuer not co-operating* (from ACUITE BBB- )

## 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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