

## Press Release

### Kay Kay Trading Company

October 27, 2020



#### Rating Update

<b>Total Bank Facilities Rated#</b>	Rs.14.75 Cr.#
<b>Long Term Rating</b>	ACUITE BB+ (Downgraded from ACUITE BBB/Stable) Issuer not co-operating*
<b>Short Term Rating</b>	ACUITE A4+ (Downgraded from ACUITE A3+) Issuer not co-operating*

#Refer Annexure for details

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

#### Rating Rationale

Acuité has downgraded the long-term rating to '**ACUITE BB+ (read as ACUITE double B plus)**' from '**ACUITE BBB (read as ACUITE triple B)**' and the short term rating to '**ACUITE A4+ (read as ACUITE A four plus)**' from '**ACUITE A3+ (read as ACUITE A three plus)**' on the Rs.14.75 crore bank facilities of Kay Kay Trading Company (KKTC). This rating is now an indicative rating and is based on the best available information. The rating downgrade is on account of information risk.

KKTC set up in 1988, is a partnership firm by Mr. Manoj Khetan, Mrs. Sunita Khetan and Mr. Nishit Khetan. It is engaged in trading of gypsum to cement companies. Previously, the firm was engaged in trading of bearings which has now been discontinued.

**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.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

#### Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.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). 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.

#### About the Rated Entity - Key Financials

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

#### 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
02-Aug-2019	Cash Credit	Long Term	11.50	ACUITE BBB/ Stable (Upgraded from ACUITE BBB-/Stable)
	Proposed Bank Guarantee	Short Term	3.25	ACUITE A3+ (Upgraded from ACUITE A3)
20-June-2018	Cash Credit	Long Term	7.00	ACUITE BBB-/ Stable (Assigned)
	Proposed Cash Credit	Long Term	5.00	ACUITE BBB-/ Stable (Assigned)
	Bank Guarantee/Letter of Guarantee	Short Term	2.00	ACUITE A3 (Assigned)
	Proposed Bank Guarantee	Short Term	0.75	ACUITE A3 (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
Cash Credit	Not Applicable	Not Applicable	Not Applicable	11.50	ACUITE BB+ (Downgraded from ACUITE BBB/Stable) Issuer not co-operating*
Proposed Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	3.25	ACUITE A4+ (Downgraded from ACUITE A3+) Issuer not co-operating*

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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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