



Press Release
SIDDHARTH CARBOCHEM PRODUCTS LIMITED
February 03, 2025
Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	4.94	ACUITE BB+ Downgraded Issuer not co-operating*	-
Bank Loan Ratings	51.06	-	ACUITE A4+ Downgraded Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	56.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

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

Rating Rationale

Acuite has downgraded its long-term rating to ‘ACUITE BB+’ (read as **ACUITE Double B plus**) from ‘ACUITE BBB+’ (read as **ACUITE Triple B Plus**) and the short-term rating to ‘ACUITE A4+’ (read as **ACUITE A four Plus**) from ‘ACUITE A2’ (read as **ACUITE A Two**) on Rs. 56.00 crore bank facilities of Siddharth Carbochem Products Limited.

The downgraded is on account of information risk. The rating is now flagged as “Issuer Not-Cooperating” on account of information risk and is based on the best available information.

About the Company

Started in 1984, Mumbai based Siddharth Carbochem Products Limited (SCPL) is a diverse company manufacturing a range of specialty chemicals, bulk drugs. It is among very few companies around the globe capable of manufacturing Methyl Salicylate with very low (under 10 ppm) impurity profile (e.g. Phenol, Methyl Paraben etc.). Other products which are under development include Octyl Salicylate, Benzyl Salicylate, Hexyl Salicylate, Iso amyl Salicylate. These products are extensively used in Pharmaceuticals, Food, Beverages, Flavour and Fragrance, Tobacco, cosmetics, homecare and personal care industry.

About the Group

Rishabh Group is promoted by Mr. Ashesh Jain who possess experience for almost nearly two decades in speciality chemical industry. RMC is engaged in manufacturing of speciality chemicals and watersoluble polymers which finds applications in various industry. SCPL is the largest manufacturer of Methyl Salicylate & Salicylic Acid derivatives in India. The group has its manufacturing facility located in Jalgaon, Maharashtra.

Unsupported Rating

Not Applicable

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 noncooperation 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 Acuité’s policies.

Limitation regarding information availability

This 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. Any rating with the suffix 'Issuer not cooperating' is assigned without any management

interaction with the issuer entity or any data / information from the entity. Sometimes this non co-operation by a rated entity may be due to a result of deterioration in the credit risk profile of the entity. 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

Liquidity Position

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

Outlook: Not Applicable**Other Factors affecting Rating**

None

Key Financials

Particulars	Unit	FY 23 (Provisional)	FY 22 (Actual)
Operating Income	Rs. Cr.	381.73	310.31
PAT	Rs. Cr.	15.79	14.38
PAT Margin	(%)	4.14	4.63
Total Debt/Tangible Net Worth	Times	0.34	0.33
PBDIT/Interest	Times	8.43	9.17

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>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuité's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
06 Nov 2023	Letter of Credit	Short Term	8.50	ACUITE A2 (Reaffirmed)
	Letter of Credit	Short Term	36.00	ACUITE A2 (Reaffirmed)
	Packing Credit	Short Term	4.50	ACUITE A2 (Reaffirmed)
	Letter of Credit	Short Term	2.06	ACUITE A2 (Reaffirmed)
	Cash Credit	Long Term	4.94	ACUITE BBB+ Stable (Reaffirmed)
08 Aug 2022	Letter of Credit	Short Term	8.50	ACUITE A2 (Reaffirmed)
	Letter of Credit	Short Term	36.00	ACUITE A2 (Reaffirmed)
	Cash Credit	Long Term	4.94	ACUITE BBB+ Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	4.07	ACUITE BBB+ Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	2.00	ACUITE BBB+ Stable (Assigned)
	Working Capital Term Loan	Long Term	0.49	ACUITE BBB+ Stable (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Union Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	4.94	Simple	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB+)
Union Bank of India	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	8.50	Simple	ACUITE A4+ Downgraded Issuer not co-operating* (from ACUITE A2)
Bank of India	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	36.00	Simple	ACUITE A4+ Downgraded Issuer not co-operating* (from ACUITE A2)
ICICI Bank Ltd	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	2.06	Simple	ACUITE A4+ Downgraded Issuer not co-operating* (from ACUITE A2)
ICICI Bank Ltd	Not avl. / Not appl.	Packing Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	4.50	Simple	ACUITE A4+ Downgraded Issuer not co-operating* (from ACUITE A2)

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

*Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)

Sr. No.	Company name
1	Rishabh Metals and Chemicals Private Limited
2	Siddharth Carbochem Products Limited

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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