

Press Release

Ala Chemicals Private Limited

March 31, 2021

Rating Update



Total Bank Facilities Rated*	Rs. 71.50 Cr. #
Long Term Rating (Indicative)	ACUITE BB+ (Downgraded from BBB/Stable) Issuer not co-operating*
Short Term Rating (Indicative)	ACUITE A4+ (Downgraded from A3+) Issuer not co-operating*

Refer Annexure for details

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

Acuite has downgraded the long-term rating to '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE BBB**' (read as **ACUITE triple B**) and short term rating to '**ACUITE A4+**' (read as **ACUITE A four plus**) from '**ACUITE A3+**' (read as **ACUITE A three plus**) on the Rs. 71.50 crore bank facilities of Ala Chemicals Private Limited (ACPL). This rating is now an indicative rating and is based on best available information.

ACPL was incorporated in 1966 and taken over by Lalitha Group in 2015. Lalitha Group is promoted by Mr. Subray Hosmane and Mrs. Veena Hosmane at Mumbai. ACPL is engaged in manufacturing and trading of PVC additives which are known as "Heat Stabilizers". The heat stabilizers are based on Lead, Tin, Barium/Cadmium/Zinc/Potassium and Calcium/Zinc etc.

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.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-59.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 statements despite repeated requests.

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
08-Jan-2020	Cash Credit	Long Term	10.00 [^]	ACUITE BBB/Stable (Reaffirmed)
	Term Loan	Long Term	2.50	ACUITE BBB/Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	1.00	ACUITE BBB/Stable (Reaffirmed)
	Letter of Credit	Short Term	30.00	ACUITE A3+ (Reaffirmed)
	Proposed Bank Facility	Short Term	28.00	ACUITE A3+ (Reaffirmed)
07-Jan-2019	Cash Credit	Long Term	10.00 [^]	ACUITE BBB/Stable (Assigned)
	Term Loan	Long Term	3.50	ACUITE BBB/Stable (Assigned)
	Letter of Credit	Short Term	30.00	ACUITE A3+ (Assigned)
	Letter of Credit	Short Term	28.00*	ACUITE A3+ (Assigned)

*Rs. 28.00 crore includes sublimit of cash credit of Rs.8.00 crore.

[^]Fund based limit of Rs.10.00 crore interchangeable with Non-fund based.

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.00 [^]	ACUITE BB+ (Downgraded from BBB) Issuer not co-operating*
Term Loan	Not Available	Not Available	Not Available	2.50	ACUITE BB+ (Downgraded from BBB) Issuer not co-operating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE BB+ (Downgraded from BBB) Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	30.00	ACUITE A4+ (Downgraded from A3+) Issuer not co-operating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	28.00	ACUITE A4+ (Downgraded from A3+) Issuer not co-operating*

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

[^]Fund based limit of Rs.10.00 crore interchangeable with Non-fund based.

Contacts

Analytical	Rating Desk
<p>Aditya Gupta Vice President - Corporate and Infrastructure Sector Ratings</p> <p>Tel: 022-49294041 aditya.gupta@acuite.in</p> <p>Parth Pandit Rating Analyst – Rating Operations Tel: 022-49294032 parth.pandit@acuite.in</p>	<p>Varsha Bist Senior Manager - Rating Desk Tel: 022-49294011</p> <p>rating.desk@acuite.in</p>

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.

Disclaimer: An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuité ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuité ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité.