

Press Release

Kamal Process

August 06, 2020

Rating Update



| | |
|------------------------------------|----------------------------------------------------------------------------|
| Total Bank Facilities Rated | Rs. 10.00 Cr. # |
| Long Term Rating | ACUITE B- (Downgraded from ACUITE B/Stable) 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 B-**' (read as **ACUITE B minus**) from '**ACUITE B**' (read as **ACUITE B**) on the Rs. 10.00 crore bank facilities of Kamal Process (KP). This rating is now an indicative rating and is based on the best available information. The rating is downgraded on account of information risk.

Established in 1999, Kamal Process (KP) is a Gujarat-based partnership firm promoted by Mr. Umerfaruk Surti and family. The firm is engaged in bleaching, dyeing and printing of cotton and polyester fabrics on job work basis. The firm has its facility located at Ahmadabad (Gujarat) with an installed capacity of dyeing 28 lakh meters per month.

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 an 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.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacture 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.

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

Acuite 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 |
|-------------|---------------------------------|-----------|------------------|-------------------------------|
| 30-May-2019 | Term Loan | Long Term | 5.19 | ACUITE B/Stable (Assigned) |

| | | | | |
|--|------------------------|-----------|------|-------------------------------|
| | Proposed Bank Facility | Long Term | 4.81 | ACUITE B/Stable (Assigned) |
|--|------------------------|-----------|------|-------------------------------|

#Annexure – Details of instruments rated

| Name of the Facilities | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. Cr.) | Ratings |
|------------------------|------------------|----------------|----------------|-----------------------------|-----------------------------------------------------------------------------|
| Term Loan | Not Applicable | Not Applicable | Not Applicable | 5.19 | ACUITE B- (Downgraded from ACUITE B /Stable) Issuer not co-operating* |
| Proposed Bank Facility | Not Applicable | Not Applicable | Not Applicable | 4.81 | ACUITE B- (Downgraded from ACUITE B/Stable) Issuer not co-operating* |

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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