

Press Release

Abhilash Chemicals and Pharmaceutical Private Limited

December 30, 2021



Rating Downgraded, Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	16.25		ACUITE A4+ Reaffirmed Issuer not co-operating*
Bank Loan Ratings	17.75	ACUITE BB- Downgraded Issuer not co-operating*	
Total	34.00	-	-

Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE BB-**' (read as **ACUITE double B minus**) from '**ACUITE BB**' (read as **ACUITE double B**) and the short term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**)' on the Rs. 34.00 crore bank facilities of Abhilash Chemicals and Pharmaceutical Private Limited (ACPPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

About the Company

Abhilash Chemicals and Pharmaceuticals Private Limited, is a Tamil Nadu based company incorporated in the year 1994. The company is engaged in manufacturing of pharmaceutical raw materials (API), Specialty chemicals. The company's manufacturing facility is located at Madurai, Tamil Nadu with an installed capacity of 300 tons per month for pharma division (API), 300 tons per month for Leather Chemical Division and 100 tons per month for Resins. The products manufactured by the company are used for Diabetic Formulation Industries, Leather Manufacturers and Ink/Paint Industries.

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.

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.

About the Rated Entity - Key Financials

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

Rating Sensitivity

"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.

Status of non-cooperation with previous CRA

Not applicable

Any other information

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

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
07 Oct 2020	Term Loan	Long Term	1.75	ACUITE BB (Downgraded and Issuer not co-operating*)
	Letter of Credit	Short Term	16.00	ACUITE A4+ (Issuer not co-operating*)
	Letter of Credit	Short Term	0.25	ACUITE A4+ (Issuer not co-operating*)
	Cash Credit	Long Term	16.00	ACUITE BB (Downgraded and Issuer not co-operating*)
01 Aug 2019	Letter of Credit	Short Term	0.25	ACUITE A4+ (Assigned)
	Letter of Credit	Short Term	16.00	ACUITE A4+ (Assigned)
	Cash Credit	Long Term	16.00	ACUITE BB+ Stable (Assigned)
	Term Loan	Long Term	1.75	ACUITE BB+ Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Canara Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	16.00	ACUITE BB- Downgraded Issuer not co-operating* (from ACUITE BB)
Canara Bank	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	16.00	ACUITE A4+ Reaffirmed Issuer not co-operating*
Canara Bank	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	0.25	ACUITE A4+ Reaffirmed Issuer not co-operating*
Canara Bank	Not Applicable	Term Loan	Not available	Not available	Not available	1.75	ACUITE BB- Downgraded Issuer not co-operating* (from ACUITE BB)

Contacts

Analytical	Rating Desk
Aditya Gupta Vice President-Rating Operations Tel: 022-49294041 aditya.gupta@acuite.in Dipti Ahire Management Trainee-Rating Operations Tel: 022-49294065 dipti.ahire@acuite.in	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuite.in

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 8,850 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 Kanjurmarg, Mumbai.

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