

Press Release

Kent Chemicals Private Limited

November 23, 2020

Rating Update



Total Bank Facilities Rated*	Rs.27.00 Cr. #
Long Term Rating	ACUITE B+ Downgraded; Issuer not co-operating*
Short Term Rating	ACUITE A4 Downgraded; Issuer not co-operating*

Refer Annexure for details

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

Acuité has downgraded the long term rating of '**ACUITE BB-**' (read as **ACUITE Double B minus**) to '**ACUITE B+**' (read as **ACUITE B plus**) and the short term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) to '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.27.00 crore bank facilities of Kent Chemicals Private Limited (KCPL). This rating is now an indicative rating and is based on the best available information. The rating downgrade is on account of information risk.

Jaipur based, Kent Chemicals Private Limited was incorporated in 2004 by Mr. Arun Sachdeva. The company started its operations in 2006 with the trading of liquid paraffin. In 2012, the company commenced the manufacturing of liquid paraffin in its manufacturing plant located in Bagru, Jaipur.

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.

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.

This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité'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). 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 attempts.

Status of non-cooperation with previous CRA (if applicable)

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.

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
27-Sep-2019	Cash Credit	Long Term	11.50*	ACUITE BB-/Stable (Assigned)
	Letter of Credit	Short Term	15.00#	ACUITE A4+ (Assigned)
	Proposed Bank Facility	Long Term	0.50	ACUITE BB-/Stable (Assigned)

* 50% one-way interchangeability from FBWC to NFBWC.

Fully interchangeable with standby line of credit (SBLC).

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	11.50	ACUITE B+ Downgraded from ACUITE BB-/Stable; Issuer Not Cooperating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE A4 Downgraded from ACUITE A4+; Issuer Not Cooperating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	0.50	ACUITE B+ Downgraded from ACUITE BB-/Stable; Issuer Not Cooperating*

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

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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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