

Press Release

MR GUPTA AND COMPANY PRIVATE LIMITED

May 23, 2023



Rating Downgraded & Withdrawn, Withdrawn and Issuer not co-oper

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Ratings Loan	14.55	ACUITE B+ Downgraded & Withdrawn Issuer not co-operating*	-
Bank Ratings Loan	34.30	Not Applicable Withdrawn	-
Bank Ratings Loan	6.50	-	ACUITE A4 Downgraded & Withdrawn Issuer not co-operating*
Bank Ratings Loan	6.50	-	Not Applicable Withdrawn
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	61.85	-	-

Rating Rationale

Acuite has downgraded and withdrawn the long term rating to 'ACUITE B+' (Read as ACUITE B plus) from 'ACUITE BB-' (Read as ACUITE double B minus) and short term rating to 'ACUITE A4' (Read As ACUITE A four) from 'ACUITE A4+' (Read As ACUITE A four plus) on the Rs 21.05 crore bank facilities and has also withdrawn the long term and short term rating on Rs.40.80 crore bank facilities of Mr Gupta And Company Private Limited.

The rating is being withdrawn on account of request received from the company and No Objection Certificate, and No Due Certificate received from the banker. The rating continues to be an indicative rating and downgraded is on the account of information risk.

About the Company

MR Gupta and Company Private Limited was incorporated in the year 1992. It is a Delhi based company promoted by Mr.Sachin Gupta and Mr. Avadesh Kumar Shukla. The company is a consignment sales partner for GAIL and Brahmaputra Crackers and Polymers Limited (BCPL). The company is also engaged in the trading of raw materials and polymer products such as high density polyethylene, linear low density polyethylene and polyvinyl chloride resins.

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 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). 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 statement for Acuite to comment.

Rating Sensitivity

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

Material Covenants

Not Applicable

Liquidity Position

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

Outlook:

Not Applicable

Other Factors Affecting the Rating

None

Status of non-cooperation with previous CRA

Crisil vide its press release dated 24.03.2022 had rated the company to CRISIL BB/Stable/A4; Issuer Not Cooperating.

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>

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. Acuite' 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
29 Jun 2022	Secured Overdraft	Long Term	14.55	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	6.50	ACUITE A4+ (Issuer not co-operating*)
	Cash Credit	Long Term	14.55	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	6.50	ACUITE A4+ (Issuer not co-operating*)
	Cash Credit	Long Term	19.75	ACUITE BB- (Downgraded and Issuer not co-operating*)
01 Apr 2021	Secured Overdraft	Long Term	14.55	ACUITE BB Stable (Assigned)
	Bank Guarantee	Short Term	6.50	ACUITE A4+ (Assigned)
	Cash Credit	Long Term	19.75	ACUITE BB Stable (Assigned)
	Cash Credit	Long Term	14.55	ACUITE BB Stable (Assigned)
	Bank Guarantee	Short Term	6.50	ACUITE A4+ (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Standard Chartered Bank	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	6.50	ACUITE A4 Downgraded & Withdrawn Issuer not co-operating*
Bandhan Bank	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	6.50	Not Applicable Withdrawn
State Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	19.75	Not Applicable Withdrawn
Bandhan Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	14.55	Not Applicable Withdrawn
Standard Chartered Bank	Not Applicable	Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	Simple	14.55	ACUITE B+ Downgraded & Withdrawn Issuer not co-operating*

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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