

RATING RATIONALE

20 April 2021

AB Chemicals India Pvt Ltd

Brickwork Ratings reaffirms the ratings for the Bank Loan Facilities of ₹45 crores of AB Chemicals India Pvt Ltd based on best available information, as the issuer did not cooperate.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (16 April 2020)	Present
Fund Based - CC	2.00	2.00	Long Term	BWR D (Downgrade) Issuer Not Cooperating*	BWR D (Reaffirmed) Issuer Not Cooperating*
Non Fund Based - LC/FLC	43.00	43.00	Short Term		
Total	45.00	45.00	Rupees Forty Five crores only		

Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

* Issuer did not cooperate, based on best available information.

NATURE OF NON-COOPERATION

BWR has reviewed the bank loan facilities of AB Chemicals India Pvt Ltd (the company) in April 2020 at BWR D and migrated to Issuer Not Cooperating category. The review of the rating was due in April 2021. Despite repeated requests over emails, the company has not provided us with the rating mandate for conducting annual review of the rating and has also not been submitting NDS at all. In the absence of adequate information from the company, BWR is unable to assess its financial performance and its ability to service its debt and maintain a valid rating.

LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, noncooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress.

COMPANY'S PROFILE (As available with BWR in May 2019)

AB Chemicals India Pvt Ltd (ABC) was incorporated in Sept 2012 at Bathinda, Punjab and commenced its business operations in Dec 2013. It is a part of the "Homeland Group", based in Bathinda which is engaged in the import of edible oil such as crude palm oil (CPO) etc. and sells in the domestic market on a high sea sale basis (80%) and merchant trading basis (20%). The company is promoted by Mr. Kapil Romana and Mr. Deepak Goyal.

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: NIL

RATING HISTORY FOR THE PREVIOUS THREE YEARS (including ratings withdrawn and suspended)

Instrument / Facilities	Current Rating			Rating History								
Bank Loans				16 April 2020			29 May 2019			05 Feb 2018		
	FB	Rs.2 crs	BWR D	FB	Rs.2 crs	BWR D	F B	Rs.2 crs	BWR BBB-Stable	F B	Rs.2 crs	BWR BBB-Stable
	NFB	Rs.43 crs	Issuer not Cooperating		Rs.43 crs	Issuer no Cooperat	N F B	Rs.43 crs	BWR A3	N F B	Rs.43 crs	BWR A3
	Total	45.00	Rupees Forty Five crores Only									

*Issuer did not Cooperate. Based on the best available information.

ANNEXURE I

AB Chemicals India Pvt Ltd Details of Bank Facilities rated by BWR

Sl. No.	Type of Facilities	Long Term {(₹ Cr)}	Short Term {(₹ Cr)}	Total (₹ Cr)
1	Cash Credit	2.00	NIL	2.00
2	LC/FLC	NIL	43.00	43.00
TOTAL		2.00	43.00	45.00

Rupees Forty Five crores Only

COMPLEXITY LEVELS OF THE INSTRUMENTS

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [Short Term Debt](#)



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