



RATING RATIONALE

26 Nov 2020

Ami Riddhi Chem Pvt Ltd.

Brickwork Ratings Revises the ratings for the Bank Loan Facilities of Rs. 12.58 Crs. of Ami Riddhi Chem Pvt Ltd. based on best available information, as the issuer did not cooperate.

Facilities**	Amount (Rs.Crs)		Tenure	Rating#	
	Previous	Present		Previous (Oct 2019)	Present
Fund based	12.50	12.50	Long Term	BWR BB- Stable Reaffirmed	BWR B+ Stable Downgraded Issuer Not Co-operating*
Non Fund Based	0.08	0.08	Short Term	BWR A4 Reaffirmed	BWR A4 Reaffirmed Issuer Not Co-operating*
Total	12.58	12.58	Rs.Twelve Crores and Fifty Eight Lacs Only		

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

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

**Details of Bank facilities is provided in Annexure-I&II

RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

The rating of the Bank Loan Facilities of the company has been revised to BWR B+/A4 (Stable) on account of non-receipt of any papers/information for ascertaining the financial risk profile/performance of the company. We have therefore migrated the rating under the “Issuer Not Cooperating” category.

The rating was due for surveillance in October 2020. The company was being regularly followed up for the surveillance, vide email dated 05.10.2020, 12.10.2020, 19.10.2020, 03.11.2020, 04.11.2020, and 11.11.2020 for obtaining the relevant and latest paper/ information for the review of the rating. The company did not cooperate in undertaking the rating process in spite of following up several times. In the absence of adequate information from the entity and the bank, BWR is unable to assess the entity’s financial performance and its ability to service its debt and maintain a valid rating.

Hence, on account of inadequate information and lack of management cooperation, BWR recommends to place the rating under Issuer Non Cooperating category and has revised the rating of the Bank Loan Facilities of the company to BWR B+/A4 (Issuer Not Cooperating).

LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, non-cooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress. Users of the credit ratings should therefore take into account possible deterioration in the credit quality of the rated entity arising from its non-transparency withholding of information required for a review of the rating.

KEY FINANCIAL INDICATORS [AS AVAILABLE WITH BWR]

Key Financial Indicators	Units	FY 19	FY 18
Result Type		Audited	Audited
Total Operating Income	Rs. Crs	87.06	85.75
EBITDA	Rs. Crs	2.49	1.35
PAT	Rs. Crs	0.30	0.23
Tangible Net Worth	Rs. Crs	5.70	5.40
Total Debt/TNW	Times	3.63	3.10
Current Ratio	Times	1.48	1.44

COMPANY PROFILE (Information as on Oct 2019)

Ami Riddhi Chem Pvt Ltd was incorporated under the Companies Act on 19th December, 2007 with Mr. Vijay Seth and Mrs. Bhavana Seth as director. The company is importer and dealers in pharmaceutical raw materials, fine chemicals, chemical solvents and intermediates. The company is link between chemical manufacturers and chemical users. Ami Riddhi has made tie ups with leading international reputed companies in USA, UK, Russia, Europe, Taiwan, Japan, Saudi Arabia, Korea and China for importing pharma raw material and chemicals. The different products offered by the company are Ethylhexyl Acrylate, Hydroxy Benzaldehyde, Acetic Acid (Glacial), Acetone, Acetonitrile, Acrylamide, etc which finds application in Pharma Industry, Paint, Rubber and Ink Industry.

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY :

ICRA has placed the rating of the company under Issuer Not Co-operating category as the company has not furnished the information for monitoring the rating.

RATING HISTORY FOR THE PREVIOUS THREE YEARS [including withdrawal & suspended]

Instrument / Facilities	Current Rating			Rating History		
	Tenure	Amount (₹ Cr)	Rating	Oct 2019	Sept 2018	July 2017
Fund Based Cash Credit	Long Term	12.50	BWR B+ Stable Downgraded Issuer Not Co-operating*	BWR BB- Stable Reaffirmed	BWR BB- Stable Reaffirmed	BWR BB- Stable
Non Fund Based LC- Sublimit to CC	Short Term	(1.50)	BWR A4 Reaffirmed Issuer Not Co-operating*	BWR A4 Reaffirmed	BWR A4 Reaffirmed	BWR A4
Buyers's Credit- Sublimit to CC		(1.50)				
Bank Guarantee- Sub limit to CC		(0.50)				
Forward Contract		0.08				
Total		12.58	Rs. Twelve Crores and Fifty Eight Lacs Only			

*Issuer did not co-operate. Based on the best available information

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](#)
- [What Constitutes Non Co-operation](#)

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ANNEXURE I

Ami Riddhi Chem Pvt Ltd.

Details of Bank Loan Facilities rated by BWR

Sl.No.	Name of the Bank	Type of Facilities	Long Term [₹ Cr]	Short Term [₹ Cr]	Total [₹ Cr]
1	Bank of Baroda	Cash Credit	12.50	-	12.50
2		ILC/FLC (Sublimit of CC)	-	(1.50)	(1.50)
3		Buyers Credit (Sublimit of CC)	-	(1.50)	(1.50)
4		Bank Guarantee (Sublimit of CC)	-	(0.50)	(0.50)
5		Forward Contract	-	0.08	0.08
TOTAL					12.58

For print and digital media

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