



## Press Release

Accord Chemical Corporation

September 13, 2024

### Ratings

Instrument/ Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	19.00	IVR BB/ Negative ISSUER NOT COOPERATING* (IVR double B with Negative Outlook Issuer Not Cooperating*)	IVR BB+/ Negative ISSUER NOT COOPERATING (IVR double B plus with Negative Outlook Issuer Not Cooperating)	Downgraded and continued in Issuer Not Cooperating category	Simple
Short Term Bank Facilities	164.00	IVR A4 ISSUER NOT COOPERATING* (IVR A Four Issuer Not Cooperating)	IVR A4+ ISSUER NOT COOPERATING (IVR A Four plus Issuer Not Cooperating)	Downgraded and continued in Issuer Not Cooperating category	Simple
<b>Total</b>	<b>183.00 (INR One hundred and eighty-three crore only)</b>				

*\*Issuer did not cooperate; based on best available information*

**Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.**

### Detailed Rationale

Infomerics has downgraded and continued the ratings of Accord Chemical Corporation (ACC) in the Issuer Not Cooperating category because of lack of adequate information for rating review from the company and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the company.

### Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data & NDS to monitor its assigned rating to the bank facilities, vide mail communications dated July 31, 2024, August 2, 2024, August 7, 2024, August 9, 2024, August 12, 2024 August 15, 2024,



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August 19, 2024, August 21, 2024, August 23, 2024, August 27, 2024, August 28, 2024, August 29, 2024, August 30, 2024, August 31, 2024, September 5, 2024 and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted surveillance fees and all the essential details required for detailed review of the assigned rating.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the long term and short-term ratings of the bank loan facilities aggregating to Rs.183.00 crore of Accord Chemical Corporation (ACC) shall continue in the 'ISSUER NOT COOPERATING' category by Infomerics and the long term rating will be denoted as "IVR BB/ Negative ISSUER NOT COOPERATING; Based on best available information (IVR double B with Negative outlook Issuer Not Cooperating; Based on best available information) and short term rating will be denoted as IVR A4 ISSUER NOT COOPERATING; Based on best available information (IVR A four Issuer Not Co-operating; Based on best available information).

**Analytical Approach:** Standalone

**Applicable Criteria:**

[Rating Methodology for Trading Companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Criteria of assigning rating outlook](#)

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Policy on default recognition](#)

[Complexity level of rated Instruments/Facilities](#)

### **About the Company**

Established in 2009, Accord Chemical Corporation is a partnership firm. It is engaged in trading, indenting, distribution, imports, and exports of various petrochemicals. The firm is located in Mumbai (Maharashtra – India) with branch offices in Ahmedabad (Gujarat) and Gandhidham (Kutch) India. The group trades in a wide variety of products which caters to the



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need of various industries such as pharmaceuticals, agrochemicals, paints, automobiles, packaging and textiles, among others. The partners of the firm have experience of over two 3 decades in the trading business, which has enabled them to establish longstanding relationship with its customers and suppliers.

### Financials (Standalone):

(Rs. crore)

For the year ended/ As on*	31-03-2021	31-03-2022
	Audited	Provisional
Total Operating Income	652.36	1160.64
EBITDA	20.12	26.85
PAT	14.93	21.52
Total Debt	27.40	17.43
Tangible Net Worth	31.68	60.16
EBITDA Margin (%)	3.08	2.31
PAT Margin (%)	2.29	1.85
Overall adjusted Gearing Ratio (x)	0.86	0.29
Interest Coverage (x)	5.73	7.30

\* Classification as per Infomerics' standards.

**Status of non-cooperation with previous CRA: NA**

**Any other information:**

### Rating History for last three years:

Sr. No.	Name of Security/Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2023-24 (August 07, 2023)	Date(s) & Rating(s) assigned in 2022-23 (June 29, 2022)	Date(s) & Rating(s) assigned in 2021-22
1.	Cash Credit	Long Term	18.50	IVR BB/ Negative ISSUER NOT COOPERATING*	IVR BB+/ Negative ISSUER NOT COOPERATING*	IVR BBB-/ Stable	-
2.	Overdraft	Long Term	0.50	IVR BB/ Negative ISSUER NOT COOPERATING*	IVR BB+/ Negative ISSUER NOT COOPERATING*	IVR BBB-/ Stable	-
3.	Letter of Credit	Short Term	159.00	IVR A4 ISSUER NOT COOPERATING*	IVR A4+ ISSUER NOT COOPERATING*	IVR A3	-
4.	Bill Discounting	Short Term	5.00^	IVR A4 ISSUER NOT COOPERATING*	IVR A4+ ISSUER NOT COOPERATING*	IVR A3	-

^LC of Rs.5.00 Cr is sublimit of Bill Discounting

\*Issuer did not cooperate; based on best available information



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### About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information and definition of ratings please visit [www.infomerics.com](http://www.infomerics.com).

**Disclaimer:** Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.



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### Annexure 1: Facility Details

Name of Facility/ Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Cash Credit 1	-	-	-	-	3.00	IVR BB/ Negative ISSUER NOT COOPERATING*
Cash Credit 2	-	-	-	-	12.50	IVR BB/ Negative ISSUER NOT COOPERATING*
Cash Credit 3	-	-	-	-	3.00	IVR BB/ Negative ISSUER NOT COOPERATING*
Overdraft	-	-	-	-	0.50	IVR BB/ Negative ISSUER NOT COOPERATING*
Letter of Credit 1	-	-	-	-	27.00	IVR A4 ISSUER NOT COOPERATING*
Letter of Credit 2	-	-	-	-	12.50	IVR A4 ISSUER NOT COOPERATING*
Letter of Credit 3	-	-	-	-	22.00	IVR A4 ISSUER NOT COOPERATING*
Letter of Credit 4	-	-	-	-	52.50	IVR A4 ISSUER NOT COOPERATING*
Letter of Credit 5	-	-	-	-	25.00	IVR A4 ISSUER NOT COOPERATING*
Proposed Letter of Credit	-	-	-	-	20.00	IVR A4 ISSUER NOT COOPERATING*
Bill Discounting	-	-	-	-	5.00^	IVR A4 ISSUER NOT COOPERATING*

<sup>^</sup>LC of Rs.5.00 Cr is sublimit of Bill Discounting

\*Issuer did not cooperate; based on best available information

**Annexure 2: Facility wise lender details: Not Applicable**

**Annexure 3: Detailed explanation of covenants of the rated Security/facilities: Not Applicable**

**Annexure 4: List of companies considered for consolidated/Combined analysis: Not Applicable**

**Note on complexity levels of the rated instrument:** Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at [www.infomerics.com](http://www.infomerics.com).