

June 27, 2024

## Multichem Specialities Private Limited: Continues to remain under issuer Non-Cooperating category

### Summary of rating action

Instrument <sup>^</sup>	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Short Term - Unallocated	1.00	1.00	[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Short Term – Non-Fund Based Others	19.00	19.00	[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term – Interchangeable - others	(4.00)	(4.00)	[ICRA]B+(Stable);ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
<b>Total</b>	<b>20.00</b>	<b>20.00</b>	

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

<sup>^</sup>Instrument details are provided in Annexure-1

### Rationale

ICRA has kept the Long-Term and Short-Term rating for the Bank facilities of Multichem Specialities Private Limited in the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]B+(Stable);ISSUER NOT COOPERATING/[ICRA]A4;ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with Multichem Specialities Private Limited, ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities : [Click here](#) ICRA is unable to provide the latest information because of non-cooperation by the entity.

### Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	<a href="#">Policy in respect of non-cooperation by the rated entity</a> <a href="#">Corporate Credit Rating Methodology</a>
Parent/Group Support	NA
Consolidation/Standalone	Standalone

### About the company

Multichem Sepcialities Private Limited (MSPL) was established in 2007. The company is engaged in the business of trading in specialty chemicals which are primarily used in the pharmaceutical industry and water treatment purposes. The company is promoted by Mr. Manish Karnani who is a second-generation entrepreneur. The promoters have been in this business since 1976 under a proprietorship firm. Till 2004, the company carried out trading by procuring the chemicals from the domestic market. The company sources ~60% of its supplies from USA and China. The company currently supplies around 150 chemicals to wholesalers and end users.

## Key financial indicators:

Standalone	FY 2022	FY 2023
Operating Income (Rs. crore)	104.34	88.87
PAT (Rs. crore)	1.60	0.83
OPBDITA/OI (%)	4.91%	5.97%
PAT/OI (%)	1.54%	0.94%
Total Outside Liabilities/Tangible Net Worth (times)	3.42	3.26
Total Debt/OPBDITA (times)	4.69	6.97
Interest Coverage (times)	2.45	1.55

PAT: Profit after Tax; OPBDITA: Operating Profit before Depreciation, Interest, Taxes and Amortization

Source: MCA

## Status of non-cooperation with previous CRA: Not Applicable

## Any other information: None

## Rating history for past three years

	Instrument	Current Rating (FY2025)				Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs. Crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in FY 2024	Date & Rating in FY 2022	Date & Rating in FY 2021
					June 27, 2024	Apr 28, 2023	Feb 25, 2022	Dec 30, 2020
1	Unallocated	Short Term	1.00	-	[ICRA]A4;ISSUER NOT COOPERATING	[ICRA]A4;ISSUER NOT COOPERATING	[ICRA]A4;ISSUER NOT COOPERATING	[ICRA]A4;ISSUER NOT COOPERATING
2	Non-Fund Based Others	Short Term	19.00	-	[ICRA]A4;ISSUER NOT COOPERATING	[ICRA]A4;ISSUER NOT COOPERATING	[ICRA]A4;ISSUER NOT COOPERATING	[ICRA]A4;ISSUER NOT COOPERATING
3	Interchangeable others	Long Term	(4.00)	-	[ICRA]B+(Stable) ; ISSUER NOT COOPERATING	[ICRA]B+(Stable) ; ISSUER NOT COOPERATING	[ICRA]B+(Stable) ; ISSUER NOT COOPERATING	[ICRA]B+(Stable) ; ISSUER NOT COOPERATING

## Complexity level of the rated instrument

Instrument	Complexity Indicator
Short Term - Unallocated	Not Applicable
Short Term – Non-Fund Based Others	Very Simple
Long Term – Interchangeable -others	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](#)

### Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Short Term - Unallocated	-	-	-	1.00	[ICRA]A4;ISSUER NOT COOPERATING
NA	Short Term – Non-Fund Based Others	-	-	-	19.00	[ICRA]A4;ISSUER NOT COOPERATING
NA	Long Term – Interchangeable -others	-	-	-	(4.00)	[ICRA]B+(Stable); ISSUER NOT COOPERATING

Source: Multichem Specialities Private Limited

### Annexure-2: List of entities considered for consolidated analysis: Not Applicable

## ANALYST CONTACTS

**Girishkumar Kadam**  
+91 22 6114 3441  
[girishkumar@icraindia.com](mailto:girishkumar@icraindia.com)

**Subhechha Banerjee**  
+91 33 7150 1130  
[subhechha.banerjee@icraindia.com](mailto:subhechha.banerjee@icraindia.com)

**Sweety Shaw**  
+91 33 7150 1180  
[sweety.shaw@icraindia.com](mailto:sweety.shaw@icraindia.com)

## RELATIONSHIP CONTACT

**L. Shivakumar**  
+91 022-6169 3300  
[shivakumar@icraindia.com](mailto:shivakumar@icraindia.com)

## MEDIA AND PUBLIC RELATIONS CONTACT

**Ms. Naznin Prodhani**  
Tel: +91 124 4545 860  
[communications@icraindia.com](mailto:communications@icraindia.com)

## Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)  
[info@icraindia.com](mailto:info@icraindia.com)

## About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit [www.icra.in](http://www.icra.in)

## ICRA Limited



### Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001  
Tel: +91 11 23357940-45



### Branches



© Copyright, 2024 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website [www.icra.in](http://www.icra.in) or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.