

## CEC Flavours And Fragrances Private Limited

September 22, 2022

### Ratings

Facilities/Instruments	Amount (Rs crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	25.00	CARE B; Stable; ISSUER NOT COOPERATING* (Single B; Outlook: Stable; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	0.95	CARE A4; ISSUER NOT COOPERATING* (A Four; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
<b>Total Bank Facilities</b>	<b>25.95</b> <b>(Rs Twenty-Five Crore and Ninety-Five Lakhs Only)</b>		

Details of instruments/facilities in Annexure-1

### Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated July 22, 2021, placed the rating(s) of CEC Flavours And Fragrances Private Limited (CFFPL) under the 'issuer non-cooperating' category as CFFPL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. CFFPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated June 07, 2022, June 17, 2022, June 27, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

**Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).**

### Detailed description of the key rating drivers

Please refer to PR dated [July 22, 2021](#)

**Analytical approach:** Standalone

### Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

### About the Company

Ponpady (Tamil Nadu) based, CEC Flavours and Fragrances Private Limited (CFFPL) was established as a family business in the year 1946 by Mr A Apparao. CFFPL is engaged in the business of manufacturing and trading of flavours, fragrance and seasonings and sold under the brand name 'Cat Brand'. The flavours and seasonings which are manufactured are used by the FMCG players in bakery confectionery, beverages, dairy products, pharmaceuticals and animal feed while the manufactured fragrances are used in detergent powder, floor cleaner, shampoo, dish wash etc

Brief Financials (Rs. crore)	FY20 (A)	FY21 (A)	FY22 (Prov.)	Q1FY23 (Prov.)
Total operating income	31.02	31.56	NA	NA
PBILDT	4.51	4.95	NA	NA
PAT	1.46	1.55	NA	NA
Overall gearing (times)	2.40	2.21	NA	NA
Interest coverage (times)	2.41	2.57	NA	NA

A: Audited; Prov.: Provisional; NA: Not Available

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

**Status of non-cooperation with previous CRA:** CRISIL has continued the rating assigned to the bank facilities of CFFPL into Issuer Not Cooperating category vide press release dated August 19, 2022 on account of its inability to carry out a review in the absence of the requisite information from the company.

**Any other information:** Not Applicable

**Rating History for last three years:** Please refer Annexure-2

**Covenants of rated instrument/facility:** Annexure-3

**Complexity level of various instruments rated for this company:** Annexure-4

#### Annexure-1: Details of Instruments/Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Term Loan (Proposed)		-	-	-	20.00	CARE B; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit		-	-	-	5.00	CARE B; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	0.75	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit		-	-	-	0.20	CARE A4; ISSUER NOT COOPERATING*

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

#### Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (Rs crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	20.00	CARE B; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (22-Jul-21)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (09-Jun-20)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (01-Apr-19)
2	Fund-based - LT-Cash Credit	LT	5.00	CARE B; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (22-Jul-21)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (09-Jun-20)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (01-Apr-19)
3	Non-fund-based - ST-Bank Guarantee	ST	0.75	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (22-Jul-21)	1)CARE A4; ISSUER NOT COOPERATING* (09-Jun-20)	1)CARE A4; ISSUER NOT COOPERATING* (01-Apr-19)
4	Non-fund-based - ST-Letter of credit	ST	0.20	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (22-Jul-21)	1)CARE A4; ISSUER NOT COOPERATING* (09-Jun-20)	1)CARE A4; ISSUER NOT COOPERATING* (01-Apr-19)

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

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

**Annexure 4: Complexity level of various instruments rated for this company**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - ST-Bank Guarantee	Simple
4	Non-fund-based - ST-Letter of credit	Simple

**Annexure 5: Bank Lender Details for this company**

To view the lender wise details of bank facilities please [click here](#)

**Note on complexity levels of the rated instrument:** CARE has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for any clarifications.

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**About CARE Ratings Limited:**

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With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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