



September 16, 2020

Manager (CRD) BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400001	Manager – Listing Department National Stock Exchange of India Limited Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (East) Mumbai-400051
Scrip Code: 530117	Scrip Code: FAIRCHEM

Dear Sir/Madam,

Sub: Withdrawal of rating assigned to the Bank Facilities of Fairchem Speciality Limited (Now known as Privi Speciality Chemicals Limited)

Pursuant to Regulation 30 read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you as follows:

CARE Ratings Limited (CARE) who had rated the Bank Facilities of Fairchem Speciality Limited (FSL) have withdrawn the ratings as the said Bank Facilities have been transferred to Fairchem Organics Limited (FOL) due to transfer of entire Oleo Chemicals and Nutraceuticals business of FSL to FOL by virtue of the scheme of de-merger which was approved by the Honourable National Company Law Tribunal (NCLT) vide its order dated June 30, 2020 (Order).

We enclose herewith letter received from CARE Ratings intimating withdrawal of ratings assigned to the Bank Facilities of Fairchem Speciality Limited (Now known as Privi Speciality Chemicals Limited).

Kindly note that as per the Order passed by NCLT, Privi Organics India Limited (POIL) has merged/amalgamated into FSL and subsequently the name of FSL has been changed to Privi Speciality Chemicals Limited (PSCL). The Bank facilities of POIL were rated by CRISIL and now PSCL is in the process of obtaining the Credit Rating for its Bank Facilities from CRISIL.

We request you to take the above on records.

Thanking You,

Yours Faithfully,

**For Privi Speciality Chemicals Limited
(Formerly known as Fairchem Speciality Limited)**

Ramesh Kathuria
Company Secretary



Encl.: - a/a



PRIVI SPECIALITY CHEMICALS LIMITED

(Formerly known as Fairchem Speciality Limited)

Knowledge Centre & Regd. Office : Privi House, A-71, TTC, Thane Belapur Road, Near Kopar Khairane Railway Station, Navi Mumbai - 400 709. India | Tel. : +91 22 68713200 / 33043500 / 33043600 | Fax : +91 22 27783049
Email : enquiry@privi.co.in | Web : www.privi.com | CIN : L15140MH1985PLC286828

No. CARE/ARO/RL/2020-21/1716

Shri Rajen Jhaveri
Chief Financial Officer
Fairchem Speciality Limited
253/P and 312, Village Chekhala,
Sanand-Kadi Highway,
Ahmedabad
Gujarat 382115

September 08, 2020

Confidential

Dear Sir,

Withdrawal of rating assigned to the Bank Facilities of Fairchem Speciality Limited

We have noted that the aforementioned Bank Facilities of Fairchem Speciality Limited (FSL) rated by us have been transferred to Fairchem Organics Limited (FOL) due to transfer of entire Oleo Chemicals and Nutraceuticals business of FSL to FOL by virtue of the scheme of de-merger which was approved by the Honourable National Company Law Tribunal (NCLT) vide its order dated June 30, 2020 with record date being fixed as August 24, 2020.

Taking cognizance of this, we hereby withdraw our rating for Fairchem Speciality Limited's bank facilities, with immediate effect, as there are no outstanding bank facilities on its book.

2. As per our normal procedure, we will be announcing the withdrawal of the rating through a Press Release, a copy of which is enclosed. **Meanwhile, please ensure that the ratings are not used hereafter, for any purpose whatsoever.**

3. In case of any future rating requirements, we will be happy to offer our services.

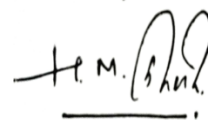
If you need any clarification, you are welcome to approach us in this regard.

CARE Ratings Ltd

Thanking you,
Yours faithfully,



Sushant Singh
Deputy Manager
sushant.singh@careratings.com



Hardik Manharbhai Shah
Associate Director
hardik.shah@careratings.com

Encl.: As above

Disclaimer

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is 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 CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

CARE Ratings Ltd.

32, Titanium, Prahaladnagar Corporate Road, Satellite, Ahmedabad - 380 015

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CIN-L67190MH1993PLC071691

Press Release

Fairchem Speciality Limited

Ratings

Facilities	Amount (Rs. crore)	Ratings ¹	Rating Action
Long-term Bank Facilities	-	-	Withdrawn
Long-term/ Short-term Bank Facilities	-	-	Withdrawn
Total Facilities	-		

**Details in Annexure I.*

Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE has withdrawn the ratings assigned to the bank facilities of Fairchem Speciality Limited (FSL) with immediate effect as the bank facilities rated by CARE in FSL have been transferred to Fairchem Organics Ltd. (FOL) upon approval of the scheme of demerger of entire Oleo Chemicals and Nutraceuticals business of FSL to FOL by the Honourable National Company Law Tribunal (NCLT) vide its order dated June 30, 2020 with record date being fixed as August 24, 2020. Consequently, there are no outstanding bank facilities on the books of FSL.

Analytical approach: Not Applicable

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the Company

Fairchem Speciality Limited (FSL), formerly known as Adi Finechem Limited, was engaged in the manufacturing of specialty chemicals like Mixed Tocopherol Concentrate, Sterols Concentrate, Dimer Acid and Linoleic Acid which find application in various industries like nutraceuticals, paints, printing ink, detergents, adhesives, etc. On May 22, 2019, The Board of Directors of FSL and those of its wholly-owned subsidiaries Fairchem Organics Limited (FOL) and Privi Organics India Limited (POIL), considered and approved a composite scheme of arrangement and demerger ("The Scheme") to separate the businesses of Oleo Chemicals & Intermediate Nutraceuticals from Aroma Chemical business. On June 30, 2020 the composite scheme of arrangement and demerger was approved by the Hon'ble NCLT, Mumbai and record date was fixed as August 24, 2020.

Brief Financials of FSL before giving the effect of demerger (Rs. crore)	FY19 (A)	FY20 (A)
Total operating income	254.21	313.08
PBILDT	40.81	57.73
PAT	21.52	36.55
Overall gearing (times)	0.55	0.52
Interest coverage (times)	7.12	8.91

A: Audited

As per provisional results for Q1FY21, the company reported total operating income of Rs.35.23 crore (Q1FY20: Rs.71.32 crore) and incurred net loss of Rs.0.19 crore (Q1FY20: PAT of Rs.5.13 crore)

Status of non-cooperation with previous CRA: Not Applicable

¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications
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Any other information: Not Applicable

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

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	-	-	0.00	Withdrawn
Fund-based - LT-Working Capital Limits	-	-	-	0.00	Withdrawn
Non-fund-based - LT/ ST-BG/LC	-	-	-	0.00	Withdrawn

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) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1.	Fund-based - LT-Term Loan	LT	-	-	-	1)CARE A (Under Credit watch with Developing Implications) (02-Jul-19) 2)CARE A (Under Credit watch with Developing Implications) (30-May-19)	1)CARE A; Stable (28-Jun-18)	1)CARE A-; Positive (28-Jul-17)
2.	Fund-based - LT-Working Capital Limits	LT	-	-	-	1)CARE A (Under Credit watch with Developing Implications) (02-Jul-19) 2)CARE A (Under Credit watch with Developing Implications) (30-May-19)	1)CARE A; Stable (28-Jun-18)	1)CARE A-; Positive (28-Jul-17)
3.	Non-fund-based - LT/ ST-BG/LC	LT/ST	-	-	-	1)CARE A / CARE A1 (Under	1)CARE A; Stable	1)CARE A1

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						Credit watch with Developing Implications) (02-Jul-19) 2)CARE A / CARE A1 (Under Credit watch with Developing Implications) (30-May-19)	/ CARE A1 (28-Jun-18)	(28-Jul-17)
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Annexure 3: Complexity level of various instruments rated for this Company

Sr. No.	Name of the Instrument	Complexity Level
1.	Fund-based - LT-Term Loan	Simple
2.	Fund-based - LT-Working Capital Limits	Simple
3.	Non-fund-based - LT/ ST-BG/LC	Simple

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is 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 CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.

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****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**

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