

Press Release

Kakadiam

September 01, 2020



Rating Update

Total Bank Facilities Rated*	Rs.9.50 Cr.#
Long Term Rating	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*

*Refer Annexure for details

**The issuer did not co-operate; based on best available information.

Acuité has downgraded the long term rating to '**ACUITE BB-**' (**read as ACUITE double B minus**) from '**ACUITE BB**' (**read as ACUITE double B**) on the Rs.9.50 crore bank facilities of Kakadiam. The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

Kakadiam was established as a partnership firm by Kakadiya family in Surat, Gujarat. The firm is engaged in trading of diamonds in the "Small Diamond Market". The firm imports rough diamonds from Belgium and Dubai and then goes for cleaving, polishing, assortment and finally, makes the finished product. In domestic market, sales are made in places like Mumbai and Surat. The management of Kakadiam has experience of about a decade in the given line of business. Mr. Pravinbhai K. Kakadiya, the founder of the firm, has worked in the diamond field since 2000.

Non-cooperation by the issuer/borrower:

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date.

This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Trading Entities - <https://www.acuite.in/view-rating-criteria-61.htm>

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité endeavored to gather information about the entity/industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
11-June-19	Cash Credit	Long term	7.50	ACUITE BB Issuer not co-operating*
	Term Loan	Long term	0.75	ACUITE BB Issuer not co-operating*
	Proposed Working Capital Loan	Long term	1.25	ACUITE BB Issuer not co-operating*
21-Mar-18	Cash Credit	Long term	7.50	ACUITE BB/ Stable (Reaffirmed)
	Term Loan	Long term	0.75	ACUITE BB/ Stable (Reaffirmed)
	Proposed Working Capital Loan	Long term	1.25	ACUITE BB/ Stable (Reaffirmed)
28-Dec-16	Cash Credit	Long term	7.50	ACUITE BB/Stable (Assigned)
	Term Loan	Long term	1.33	ACUITE BB/Stable (Assigned)
	Proposed Working Capital Loan	Long term	0.67	ACUITE BB/Stable (Assigned)

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	7.50	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	1.33	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*
Proposed Working Capital Loan	Not Applicable	Not Applicable	Not Applicable	0.67	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*

*The issuer did not co-operate; based on best available information.

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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