



Press Release
Herbal Isolates Private Limited
March 01, 2024

Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	12.25	-	ACUITE A4+ Downgraded Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	12.25	-	-

Rating Rationale

Acuite has downgraded its short-term rating to '**ACUITE A4+**' (read as **ACUITE A Four Plus**) from '**ACUITE A2 (read as ACUITE A Two)**' on the Rs 12.25 crore bank facilities of Herbal Isolates Private Limited (HIPL). The rating is downgraded due to information risk. This rating is now an indicative rating and is based on best available information. The team had sent repeated reminders to the Company for latest information however, despite multiple requests the Company's management has not sent the required documents and are yet to submit the final latest documents for assigning the rating.

About the Company

Herbal Isolates Private Limited, incorporated in 1984. The company is engaged in processing and trading of spices and pepper. The Present Directors of the company are Mr. Varghese Jacob, Mr. Paolo George and Mr. Jacob Ninan. The registered office of the company is in Cochin.

Unsupported Rating

Not Applicable

Non-cooperation by the issuer/borrower

Acuite 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. Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

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). Acuite endeavoured to gather information about the entity/ industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit

ratings based.

Rating Sensitivities

"No information provided by the issuer / available for Acuite to comment upon."

Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

Outlook

Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 23 (Actual)	FY 22 (Actual)
Operating Income	Rs. Cr.	109.14	88.09
PAT	Rs. Cr.	12.23	5.13
PAT Margin	(%)	11.20	5.82
Total Debt/Tangible Net Worth	Times	0.16	0.16
PBDIT/Interest	Times	61.46	26.28

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Trading Entitie: <https://www.acuite.in/view-rating-criteria-61.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite' s categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
19 Dec 2022	PC/PCFC	Short Term	9.50	ACUITE A2 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	0.25	ACUITE A2 (Reaffirmed)
	PC/PCFC	Short Term	2.50	ACUITE A2 (Assigned)
23 Sep 2021	Proposed Short Term Bank Facility	Short Term	0.10	ACUITE A2 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	0.15	ACUITE A2 (Reaffirmed)
	PC/PCFC	Short Term	9.50	ACUITE A2 (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Union Bank of India	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	0.25	ACUITE A4+ Downgraded Issuer not co-operating* (from ACUITE A2)
Union Bank of India	Not avl. / Not appl.	PC/PCFC	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	2.50	ACUITE A4+ Downgraded Issuer not co-operating* (from ACUITE A2)
Union Bank of India	Not avl. / Not appl.	PC/PCFC	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	9.50	ACUITE A4+ Downgraded Issuer not co-operating* (from ACUITE A2)

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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