

Press Release

Quadrigen Vet Health Private Limited

July 27, 2021

Rating Update



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|-------------------------------------|---|
| Total Bank Facilities Rated* | Rs.13.50 Cr.# |
| Long Term Rating | ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating* |
| Short Term Rating | ACUITE A4+ Issuer not co-operating* |

#Refer Annexure for details

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

Acuite has downgraded the long-term rating to '**ACUITE BB-**' (read as **ACUITE double B minus**) from '**ACUITE BB**' (Read as **ACUITE double B**) and reviewed the short term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs.13.50 crore bank facilities of Quadrigen Vet Health Private Limited (QVPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

Quadrigen Vet Health Private Limited (QVPL), a Karnataka-based company established in 2010 is engaged in the manufacturing of animal health and nutrition products such as feed ingredients, feed additives, vitamins, mineral premixes among others. QVPL caters to three segments: poultry and swine, pets and dairy. The company markets to 22 countries across the globe. Recently, it acquired a 100-per-cent stake in Karnataka Nutraceutical India Ltd, which is into a similar line of business. Karnataka Nutraceuticals India Limited (KNIL), established in 2005 is engaged in the manufacturing of pharmaceutical and animal healthcare specialty products. The company mainly manufactures Halquinol B.P-80 and its range of products. The Directors of both companies, Mr. C. Gopalaswamy, Mr. Lakshmikanth Yadav & Dr. Rajeevalochan Dinamani have more than two decades of experience in the said line of business. The Quadrigen Group (QG) consists of two companies, Quadrigen VetHealth Private Limited (QVPL) and Karnataka Nutraceuticals India Limited (KNIL).

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 non-cooperation by the issuer along with an 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.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities- <https://www.acuite.in/view-rating-criteria-59.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). Acuite endeavored 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 rating is based.

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

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

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

None

Rating History (Up to last three years)

| Date | Name of Instrument / Facilities | Term | Amount (Rs. Cr) | Ratings/Outlook |
|--------------|---------------------------------|------------|-----------------|---|
| 30 Apr, 2020 | Cash Credit | Long term | 4.50 | ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating* |
| | Packing Credit | Short Term | 4.50 | ACUITE A4+ Issuer not co-operating* |
| | Bank Guarantee | Short Term | 1.00 | ACUITE A4+ Issuer not co-operating* |
| | Letter of Credit | Short Term | 3.50 | ACUITE A4+ Issuer not co-operating* |
| 22 Feb, 2019 | Cash Credit | Long term | 4.50 | ACUITE BB+/ Stable (Downgraded from ACUITE BBB-) |
| | Packing Credit | Short Term | 4.50 | ACUITE A4+ (Downgraded from ACUITE A3) |
| | Bank Guarantee | Short Term | 1.00 | ACUITE A4+ (Downgraded from ACUITE A3) |
| | Letter of Credit | Short Term | 3.50 | ACUITE A4+ (Downgraded from ACUITE A3)* |
| 27 Dec, 2017 | Cash Credit | Long term | 4.50 | ACUITE BBB-/ Stable (Assigned) |
| | Packing Credit | Short Term | 4.50 | ACUITE A3 (Assigned) |
| | Bank Guarantee | Short Term | 1.00 | ACUITE A3 (Assigned) |
| | Letter of Credit | Short Term | 3.50 | ACUITE A3 (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 | 4.50 | ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating* |
| Packing Credit | Not Applicable | Not Applicable | Not Applicable | 4.50 | ACUITE A4+ Issuer not co-operating* |
| Bank Guarantee | Not Applicable | Not Applicable | Not Applicable | 1.00 | ACUITE A4+ Issuer not co-operating* |
| Letter of Credit | Not Applicable | Not Applicable | Not Applicable | 3.50 | ACUITE A4+ Issuer not co-operating* |

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

Contacts

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|---|--|
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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 8,616 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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