

## Press Release

### Khandelwal Irrigation Private Limited

August 11, 2022



### Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	11.93	ACUITE B+   Downgraded   Issuer not co-operating*	-
Bank Loan Ratings	2.00	-	ACUITE A4   Downgraded   Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	13.93	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

### Rating Rationale

Acuite has reaffirmed and downgraded the long-term rating to '**ACUITE B+**' (read as **ACUITE B Plus**) from '**ACUITE BB-**' (read as **ACUITE double B Minus**) and the short term rating to '**ACUITE A4**' (read as **ACUITE A four**) from '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs.13.93 crore bank facilities of Khandelwal Irrigation Private Limited. The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

### About the Company

Incorporated in 1995, Khandelwal Irrigation Private Limited (KIPL) is engaged in manufacturing of pipes which are used in drip irrigation, mini sprinkler system and sprinkler system. The day to day operations are managed by its managing director, Mr. Ghan Shyam Das Gupta along with other directors, Mr. Pradeep Kumar Gupta, Mr. Rakesh Gupta Kumar and Mr. Rajeev Kumar Gupta. The manufacturing unit is in Sikkar, with an installed capacity of around 1500 tonne p.a.

### 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 due date. Acuite believes that information risk is a critical component in such ratings, and non-cooperation 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 rating is based.

### About the Rated Entity - Key Financials

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

### Rating Sensitivity

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

### Material Covenants

None

### Liquidity Position

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

### Outlook

Not Applicable

### Status of non-cooperation with previous CRA

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.

### Applicable Criteria

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

### Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

### Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
17 May 2021	Term Loan	Long Term	0.32	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Proposed Bank Facility	Long Term	0.01	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	1.60	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	10.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Letter of Credit	Short Term	2.00	ACUITE A4+ ( Issuer not co-operating*)
25 Feb 2020	Proposed Bank Facility	Long Term	0.01	ACUITE BB   Stable (Assigned)
	Cash Credit	Long Term	10.00	ACUITE BB   Stable (Upgraded from ACUITE BB-   Stable)
	Term Loan	Long Term	0.32	ACUITE BB   Stable (Upgraded from ACUITE BB-   Stable)
	Term Loan	Long Term	1.60	ACUITE BB   Stable (Upgraded from ACUITE BB-   Stable)
	Letter of Credit	Short Term	2.00	ACUITE A4+ (Reaffirmed)
	Cash Credit	Long Term	8.00	ACUITE BB-   Stable (Reaffirmed)

18 Mar 2019	Term Loan	Long Term	0.75	ACUITE BB-   Stable (Reaffirmed)
	Term Loan	Long Term	1.60	ACUITE BB-   Stable (Reaffirmed)
	Letter of Credit	Short Term	1.50	ACUITE A4+ (Reaffirmed)
20 Feb 2018	Cash Credit	Long Term	8.00	ACUITE BB-   Stable (Assigned)
	Term Loan	Long Term	1.60	ACUITE BB-   Stable (Assigned)
	Term Loan	Long Term	0.75	ACUITE BB-   Stable (Assigned)
	Letter of Credit	Short Term	1.50	ACUITE A4+ (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Canara Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE B+   Downgraded   Issuer not co-operating* (from ACUITE BB- )
Canara Bank	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4   Downgraded   Issuer not co-operating* (from ACUITE A4+ )
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	0.01	ACUITE B+   Downgraded   Issuer not co-operating* (from ACUITE BB- )
Canara Bank	Not Applicable	Term Loan	18-02-2019	Not available	28-02-2026	1.60	ACUITE B+   Downgraded   Issuer not co-operating* (from ACUITE BB- )
Canara Bank	Not Applicable	Term Loan	22-04-2018	Not available	28-03-2020	0.32	ACUITE B+   Downgraded   Issuer not co-operating* (from ACUITE BB- )

## Contacts

Analytical	Rating Desk
Pooja Ghosh Vice President-Rating Operations Tel: 022-49294041 <a href="mailto:pooja.ghosh@acuite.in">pooja.ghosh@acuite.in</a>  Abhishek Singh Junior Analyst-Rating Operations Tel: 022-49294065 <a href="mailto:abhishek.s@acuite.in">abhishek.s@acuite.in</a>	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 <a href="mailto:rating.desk@acuite.in">rating.desk@acuite.in</a>

### 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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