

Press Release

Kisan Agro Product Industries

January 06, 2021



Rating Update

Total Bank Facilities Rated*	Rs. 17.00 Cr.
Long Term Rating	ACUITE BB- (Downgraded and Indicative)

*Refer Annexure for details

Rating Rationale

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. 17.00 crore bank facilities of Kisan Agro Product Industries (KAPI). The rating is now an indicative rating and is based on the best available information

The rating is downgraded on account of information risk and non-submission of relevant information sought from the company for review of ratings.

Gujarat based Kisan Agro Product Industries (KAPI) was established in 1995 by Mr. Manu bhai Patel and is engaged in trading of various grades of Castor Oil and Caster seed Extraction. Procurement is done from its group company- Kisan Oleochem and Derivatives Private Limited and exports majorly to USA. Firm is being promoted by Mr. Manu bhai Patel, Mr. Shankar bhai Patel, Mr. Raman bhai Patel and Mrs. Hema ben Patel.

About the Group

Kisan Agro group (KAG), based out of Gujarat, is engaged in extraction, refining and exporting of castor oil. Also, it is engaged in extracting solvent extraction from rapeseed. The castor oil is exported to foreign countries, including china, Iran, Iraq, Japan and many more. It is used in various industries to manufacture cosmetic products, paints, plastic products. The rapeseed de-oiled cakes are majorly used as feed in poultry. The raw material such as castor seeds and rapeseed cake are procured from APMC of Gujarat and local suppliers in Rajasthan, Madhya Pradesh and Haryana. The installed capacity for castor oil is around 350 MT per day utilized to the tune of around 250 MT per day. For rapeseed cake, the installed capacity is 250 MT per day and utilization is around 150 MT per day.

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.

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 endeavoured 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.

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)

Not Applicable

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

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities- <https://www.acuite.in/view-rating-criteria-59.htm>
- Trading Entities-<https://www.acuite.in/view-rating-criteria-61.htm>

Note on complexity levels of the rated instrument

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

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
25-Oct-2019	Cash Credit	Long Term	5.00	ACUITE BB/Stable (Reaffirmed)
	Cash Credit	Long Term	2.00	ACUITE BB/Stable (Reaffirmed)
	Cash Credit	Long Term	10.00	ACUITE BB/Stable (Reaffirmed)
07-Dec-2018	Cash Credit	Long Term	5.00	ACUITE BB/Stable (Assigned)
	Cash Credit	Long Term	2.00	ACUITE BB/Stable (Assigned)
	Cash Credit	Long Term	10.00	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. Cr.)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE BB- (Downgraded and Indicative)
Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE BB- (Downgraded and Indicative)
Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE BB- (Downgraded and Indicative)

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited is a full-service Credit Rating Agency registered with the Securities
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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 8,495 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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