

Press Release

Kisan Agro Product Industries

April 08, 2022



Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	17.00	ACUITE B+ Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	17.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE B+**' (read as **ACUITE B Plus**) from '**ACUITE BB-**' (read as **ACUITE double B Minus**) on the Rs. 17.00 crore bank facilities of Kisan Agro Product Industries (KAPI). The rating continues to be 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.

About the Company

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:

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.

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). 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.

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 Acuite to comment upon

Material Covenants

Not Applicable

Liquidity Position

No information provided by the issuer / available for Acuite 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>
- Trading Entities: <https://www.acuite.in/view-rating-criteria-61.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
06 Jan 2021	Cash Credit	Long Term	10.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	5.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	2.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
25 Oct 2019	Cash Credit	Long Term	2.00	ACUITE BB Stable (Reaffirmed)
	Cash Credit	Long Term	10.00	ACUITE BB Stable (Reaffirmed)
	Cash Credit	Long Term	5.00	ACUITE BB Stable (Reaffirmed)
07 Dec 2018	Cash Credit	Long Term	2.00	ACUITE BB Stable (Assigned)
	Cash Credit	Long Term	5.00	ACUITE BB Stable (Assigned)
	Cash Credit	Long Term	10.00	ACUITE BB Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Bank of Baroda	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE B+ Downgraded Issuer not co-operating*
Bank of Baroda	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE B+ Downgraded Issuer not co-operating*
The Mehsana Urban Cooperative Bank Ltd	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE B+ Downgraded Issuer not co-operating*

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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 8,850 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 Kanjurmarg, Mumbai.

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