Press Release

Kavin Products

December 23, 2022

Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	20.00	ACUITE D | Reaffirmed | Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	20.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuité has reaffirmed its long-term rating of '**ACUITE D' (read as ACUITE D)** on the Rs.20.00 crore bank facilities of Kavin Products. This rating is now an indicative rating and is based on the best information available.

About the Company

Kavin Products, a partnership firm established recently in the year 2018 is engaged into processing of paddy and milling of rice in the state of Tiruvannamalai, Tamil Nadu. The firm was promoted by Mr. E.V Velu and Mr. Vigneshwar.

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. Acuité 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 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 ratings based.

Rating Sensitivities

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

Material Covenants
None

Liquidity Position

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

Outlook

Not Applicable

Key Financials:

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

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
• 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
• Manufacturing Entities: https://www.acuite.in/view-rating-criteria-59.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
06 Oct 2021	Proposed Bank Facility	Long Term	5.92	ACUITE D (Downgraded from ACUITE BB- | Stable)
	Term Loan	Long Term	0.25	ACUITE D (Downgraded from ACUITE BB- | Stable)
	Cash Credit	Long Term	6.00	ACUITE D (Downgraded from ACUITE BB- | Stable)
	Term Loan	Long Term	3.50	ACUITE D (Downgraded from ACUITE BB- | Stable)
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	Term Loan	Long Term	0.33	ACUITE D (Downgraded from ACUITE BB- | Stable)
28 Oct 2020	Term Loan	Long Term	3.50	ACUITE BB- | Stable (Reaffirmed)
	Term Loan	Long Term	0.50	ACUITE BB- | Stable (Assigned)
	Proposed Bank Facility	Long Term	5.92	ACUITE BB- | Stable (Reaffirmed)
	Term Loan	Long Term	3.50	ACUITE BB- | Stable (Reaffirmed)
	Term Loan	Long Term	0.33	ACUITE BB- | Stable (Reaffirmed)
	Cash Credit	Long Term	6.00	ACUITE BB- | Stable (Reaffirmed)
	Term Loan	Long Term	0.25	ACUITE BB- | Stable (Reaffirmed)
18 Nov 2019	Letter of Credit	Short Term	0.88	ACUITE A4 (Assigned)
	Cash Credit	Long Term	6.00	ACUITE BB- | Stable (Assigned)
	Proposed Bank Facility	Long Term	2.57	ACUITE BB- | Stable (Assigned)
	Term Loan	Long Term	10.55	ACUITE BB- | Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Karur Vysya Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	6.00	ACUITE D | Reaffirmed | Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	Simple	5.92	ACUITE D | Reaffirmed | Issuer not co-operating*
Karur Vysya Bank	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	0.50	ACUITE D | Reaffirmed | Issuer not co-operating*
Karur Vysya Bank	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	3.50	ACUITE D | Reaffirmed | Issuer not co-operating*
Karur Vysya Bank	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	0.25	ACUITE D | Reaffirmed | Issuer not co-operating*
Karur Vysya Bank	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	3.50	ACUITE D | Reaffirmed | Issuer not co-operating*
Karur Vysya Bank	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	0.33	ACUITE D | Reaffirmed | Issuer not co-operating*

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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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