



Press Release

Kings Infra Ventures Limited

August 24, 2023

The revised press release is provided in relation to the Press Release published on January 14, 2022. The revised press release mentions the following:

- Detailed explanation of covenants of the rated instrument/facilities as per the regulator guidelines.

Link to the press release dated January 14, 2022, published on Infomerics' website:

<https://www.infomerics.com/admin/uploads/pr-Kings-Infra-Jan14-2022.pdf>

Ratings

Facilities	Amount (Rs. Crore)	Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	13.58	IVR BB-, Issuer Not Co-operating * (IVR Double B Minus under Issuer Not Co- operating)	Rating reaffirmed and moved to Issuer Not Co- operating	Simple
Non- Convertible Debentures	25.00	IVR BB-, Issuer Not Co-operating * (IVR Double B Minus under Issuer Not Co- operating)	Rating reaffirmed and moved to Issuer Not Co- operating	Simple
Short Term Bank Facilities	4.42	IVR A4, Issuer Not Co-operating * (IVR A Four under Issuer Not Co- operating)	Rating reaffirmed and moved to Issuer Not Co- operating	Simple
Total	43.00 (Forty Three Crore Only)			

*Issuer did not cooperate; based on best available information

Detailed Rationale

The rating has been moved to issuer not cooperating because of lack of adequate information regarding performance of Kings Infra Ventures Limited and hence the uncertainty around its



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credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The lender, investors and other users of this rating are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the company, despite the rating revision.

Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data, results to monitor its assigned rating to the bank facilities, vide E-mail communications dated January 6, 2022 and January 8, 2022 concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details. Accordingly, the lenders, investors and other users of this rating are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the company.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics must assign the rating based on the best available information. Accordingly, the ratings for the bank loan facilities of Kings Infra Ventures Limited aggregating to Rs. 43.00 crore shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as IVR BB-; Issuer Not Co-operating; Based on best available information and IVR A4; Issuer Not Co-operating; Based on best available information.

Analytical Approach & Applicable Criteria

Standalone

[Rating Methodology for Manufacturing Companies.](#)

[Financial Ratios & Interpretation \(Non-financial Sector\).](#)

[Guidelines on what constitutes Non-Cooperation by clients.](#)



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About the Company

Tamil Nadu-based, Kings Infra Ventures Limited (formerly Victory Aquafarm Ltd) was incorporated in 1987. The company is promoted by Mr. Shaji Baby John and Mr. Baby John Shaji (Son of the former) and have been associated with the Aquaculture industry for a reasonable period. The company started off with the aquaculture business but had undergone challenges due to government policies in the early years and transitioned into the real estate business later-on. KIVL has now re-engaged in aquaculture, Sea Food Processing and exports business since 2017. The cultivation and processing facility is located at Tuticorin, (Tamil Nadu) and owns 126 acres and 28 cents of land. The company adequately sources stock from the farmers, gets the end product processed and exports the same.

Financials (Standalone):

For the year ended* / As On	(Rs. In Crore)	
	31-03-2020 (Audited)	31-03-2021 (Audited)
Total Operating Income	33.14	37.98
EBITDA	2.60	4.03
PAT	0.39	1.43
Total Debt	15.50	23.12
Tangible Net worth	25.76	27.17
EBITDA Margin (%)	7.86	10.60
PAT Margin (%)	1.15	3.75
Overall Gearing Ratio (x)	0.60	0.85

*Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: NIL

Any other information: Nil



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Rating History for last three years:

Sr. No.	Name of Instrument/ Facilities	Current Rating (Year 2021-22)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2020-21 (January 18, 2021)	Date(s) & Rating(s) assigned in 2019-20	Date(s) & Rating(s) assigned in 2018-19
1.	Non-Convertible Debenture	Long Term	25.00	IVR BB-; Issuer Not Co-operating *	IVR BB- (Stable)	-	-
2.	Term Loan	Long Term	5.58	IVR BB-; Issuer Not Co-operating *	IVR BB- (Stable)	-	-
3.	Cash Credit	Long Term	8.00	IVR BB-; Issuer Not Co-operating *	IVR BB- (Stable)	-	-



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Sr. No.	Name of Instrument/ Facilities	Current Rating (Year 2021-22)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2020-21 (January 18, 2021)	Date(s) & Rating(s) assigned in 2019-20	Date(s) & Rating(s) assigned in 2018-19
4.	Term Loan	Short Term	0.57	IVR A4; Issuer Not Co-operating *	IVR A4	-	-
5.	Letter of Credit / Bank Guarantee	Short Term	3.00	IVR A4; Issuer Not Co-operating *	IVR A4	-	-
6.	Proposed Loan	Short Term	0.85	IVR A4; Issuer Not Co-operating *	IVR A4	-	-

*Issuer did not cooperate; based on best available information

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.

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About Infomerics:



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Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. It is gradually gaining prominence in domestic rating and/or grading space. Infomerics is striving for positioning itself as the most trusted & credible rating agency in the country and is gradually widening its product portfolio. Company's long experience in varied spectrum of financial services is helping it to fine tune its product offerings to best suit the market.

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term – Non Convertible Debentures	June 2020	12.50% - 14.87%	March 2027	25.00	IVR BB-; Issuer Not Co-operating *
Long Term Bank Facilities – Term Loan	-	-	April 2028	5.58	IVR BB-; Issuer Not Co-operating *
Long Term Bank Facilities – Cash Credit	-	-	-	8.00	IVR BB-; Issuer Not Co-operating *
Short Term Bank Facilities – Term Loan	-	-	March 2021	0.57	IVR A4; Issuer Not Co-operating *



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Short Term Bank Facilities – LC/BG	-	-	-	3.00	IVR A4; Issuer Not Co-operating *
Short Term Bank Facilities – Proposed Loan	-	-	-	0.85	IVR A4; Issuer Not Co-operating *

*Issuer did not cooperate; based on best available information

Annexure 2: Facility wise lender details

<https://www.infomerics.com/admin/prfiles/Kings-Infra-lenders-jan22.pdf>

Annexure 3: List of companies considered for consolidated analysis: Not Applicable

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities:

Non-convertible debentures	Detailed Explanation
Information covenants	<p>Objects of the Issue: To meet the ongoing funding requirements for expansion of seafood processing facilities, redevelopment and expansion of aquaculture facilities, Infrastructure for food, production, marketing, exports and other business operations of the Company.</p> <p>Details of the utilization of the proceeds: To meet the ongoing funding requirements for expansion of seafood processing facilities, redevelopment and expansion of aquaculture facilities, Infrastructure for food, production, marketing, exports and other business operations of the Company.</p> <p>Coupon payment dates: Monthly or Annually depending on the scheme opted.</p> <p>Coupon Type: Fixed</p> <p>Event of Defaults: (i) Default in payment of monies due in respect of interest/principal owing upon the Debentures; (ii) Default in payment of any other monies including costs, charges and Expenses incurred by the Trustees.</p>

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