

Ref: ICRA/Kanani Industries Limited/09122021/01

Date: December 09, 2021

Mr. Harshil Kanani

Director

Kanani Industries Limited

G/6, Prasad Chambers, Tata Road

No. 2, Opera House,

Mumbai - 400 004.

Dear Sir,

Re: Surveillance of ICRA-assigned Credit Rating for Rs. 25.00 crore Bank Facilities (details as per Annexure)

Please refer to the Rating Agreement dated July 26, 2017 executed between ICRA Limited (“ICRA”) and your company, whereby, ICRA is required to review the ratings assigned to your company on an annual basis or as and when the circumstances so warrant. Based on a review of the latest developments, the Rating Committee of ICRA, after due consideration has retained the long-term rating at **[ICRA]B+** (pronounced ICRA B plus) and short-term rating at **[ICRA]A4** (pronounced ICRA A four) (“Rating”). Outlook on the long-term Rating is **Stable**. This Rating indicates high risk of default regarding timely servicing of financial obligations.

In any of your publicity material or other document wherever you are using the above Ratings, it should be stated as **[ICRA]B+(Stable)/[ICRA]A4**.

The aforesaid Ratings will be due for surveillance any time before December 01, 2022. However, ICRA reserves the right to review and/or, revise the above Rating(s) at any time on the basis of new information becoming available, or the required information not being available, or other circumstances that ICRA believes could have an impact on the Ratings. Therefore, request the lenders and Investors to visit ICRA website at www.icra.in for latest Rating of the Company.

The Ratings are specific to the terms and conditions of the lines of credit as indicated to us by you, and any change in the terms or size of the same would require a review of the Ratings by us. In case there is any change in the terms and conditions or the size of the rated lines of credit, the same must be brought to our notice before the line of credit is used by you. In the event such changes occur after the Ratings have been assigned by us and their use has been confirmed by you, the Ratings would be subject to our review, following which there could be a change in the Ratings previously assigned. Notwithstanding the foregoing, any change in the over-all limit of the lines of credit from that specified in the first paragraph of this letter would constitute an enhancement that would not be covered by or under the said Rating Agreement.



ICRA

ICRA Limited

The Ratings assigned must be understood solely as an opinion and should not be treated, or cause to be treated, as recommendation to buy, sell, or hold the rated line of credit availed by your company.

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s). Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authorities is exceeded.

We look forward to your communication and assure you of our best services.

With kind regards,

Yours sincerely,

For ICRA Limited

Mr. Jayanta Roy

Senior Vice President

jayanta@icraindia.com



ICRA

ICRA Limited

Annexure

Details of Bank Limits Rated by ICRA (Rated on Long-Term/Short-Term Scale)	Amount (Rs. Crore)	Rating	Rating Assigned on
Bank of Baroda - Fund-based working capital limits	24.00	[ICRA]B+(Stable)/ [ICRA]A4	December 02, 2021
Unallocated limits	1.00		
Total	25.00		