

No. CARE/HO/RL/2021-22/1568

Shri Suresh Purohit
Chief Financial Officer
Kisan Mouldings Limited
Tex Centre, K Wing, 3rd Floor,
26 A, Chandivali Road, Andheri East
Mumbai
Maharashtra 400072

June 21, 2021

Confidential

Dear Sir,

Credit Rating of Bank Facilities

This is with reference to our rating agreement dated December 21, 2017, wherein you had agreed to provide information to monitor and conduct the surveillance / review of the rating over the lifetime of rated bank facilities.

2. In the absence of adequate co-operation from your end despite repeated requests, CARE has reviewed the rating as follows:

Facilities	Amount (Rs. Crore)	Rating ¹	Rating Action
Long Term Bank Facilities	208.75	CARE D; ISSUER NOT COOPERATING (Single D; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	91.25	CARE D; ISSUER NOT COOPERATING (Single D; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Facilities	300.00 (Rupees Three Hundred Crore only)		

3. We would be issuing a press release shortly to inform the regulators, investors and public at large. A draft of the Press Release is enclosed.

¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.

Thanking you,

Yours faithfully,



Akash Thaker
Lead Analyst
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Encl.: As above

Disclaimer

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is 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 CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

Annexure 1
Details of Rated Facilities

1. Long Term Facilities

1. A. Term loans

Sr. No	Lender	Type of facility	Rated Amount (Rs. Crore)	Debt Repayment Terms
1.	ICICI Bank	Fund-based – LT – Rupee term loan	25.26	10 years (2 years moratorium) – repayment from Jan 31, 2017
2.		Fund-based – LT – Working capital term loan	0.97	7 years (2 years moratorium) – repayment from Jan 31, 2017
3		Fund-based – LT – Funded interest term loan I	3.70	6 years (2 years moratorium) – repayment from Jan 31, 2017
4		Fund-based – LT – Funded interest term loan II	0.12	6 years (2 years moratorium) – repayment from Jan 31, 2017
5	IDBI Bank	Fund-based – LT – Rupee term loan	6.67	5 years (2 years moratorium) – repayment from Jan 01, 2017
6		Fund-based – LT – Working capital term loan	7.80	7 years (2 years moratorium) – repayment from Jan 01, 2017
7		Fund-based – LT – Funded interest term loan I	1.25	6 years (2 years moratorium) – repayment from Jan 01, 2017
8		Fund-based – LT – Funded interest term loan II	1.00	6 years (2 years moratorium) – repayment from Jan 01, 2017
9	Punjab National Bank	Fund-based – LT – Term loan II	3.09	4 years (2 years moratorium) – repayment from Jan 2017
10		Fund-based – LT – Term loan III	3.46	4 years (2 years moratorium) – repayment from Jan 2017
11		Fund-based – LT – Funded interest term loan I	1.16	6 years (2 years moratorium) – repayment from Jan 2017
12		Fund-based – LT – Working capital term loan	11.70	7 years (2 years moratorium) – repayment from Jan 2017
13		Fund-based – LT – Funded interest term loan II	1.50	6 years (2 years moratorium) – repayment from Jan 2017

Sr. No	Lender	Type of facility	Rated Amount (Rs. Crore)	Debt Repayment Terms
14	Shamrao Vithal Co-operative bank limited	Fund-based – LT – Rupee term loan	0.11	6 years (2 years moratorium) – repayment from January 2017
15		Fund-based – LT – Rupee term loan II	1.90	4 years 9 months (2 years moratorium) – repayment from Jan 2017
16		Fund-based – LT – Rupee term loan III	4.69	8 years 11 months (2 years moratorium) – repayment from Jan 2017
17		Fund-based – LT – Working capital term loan	8.77	7 years (2 years moratorium) – repayment from January 2017
18		Fund-based – LT – Funded interest term loan I	1.12	5 years 3 months (2 years moratorium) – repayment from January 2017
19		Fund-based – LT – Funded interest term loan II	1.06	
20	Union Bank of India	Fund-based – LT – Term loan	0.60	6 years (2 years moratorium) – repayment from Jan 01, 2017
21		Fund-based – LT – Working capital term loan	9.75	7 years (2 years moratorium) – repayment from Jan 01, 2017
22		Fund-based – LT – Funded interest term loan I	0.33	7 years (2 years moratorium) – repayment from January 2017
23		Fund-based – LT – Funded interest term loan II	1.25	4 years (2 years moratorium) – repayment from January 2017
24	Proposed		2.73	
Total			100.00	

Annexure 1 (Continued)
1. B. Fund Based limits sanctioned

Sr. No.	Name of Bank	Fund Based Limits (Rs. Crore)		
		Cash Credit	Others	Total fund-based limits
1	ICICI Bank	4.00	-	4.00
2	IDBI Bank	14.50	-	14.50
3	Punjab National Bank	35.00	-	35.00
4	Shamrao Vithal Co-operative bank limited	34.50	-	34.50
5	Union bank of India	19.00	-	19.00
6	Proposed	1.75	-	1.75
	Total	108.75		108.75

Total Long Term Facilities (1.A. + 1.B) = Rs. 208.75 crore

2. Short Term Facilities
2. A. Non-Fund Based limits

Sr. No.	Name of Bank	Non-Fund Based Limits (Rs. Crore)		
		Letter of Credit	Bank Guarantee	Total
1	IDBI Bank	19.00	-	19.00
2	Punjab National Bank	13.75	5.55	19.30
3	Shamrao Vithal Co-operative Bank Limited	2.00	-	2.00
4	Union bank of India	22.00	0.70	22.70
5	Additional amount to be proposed	23.25	5.00	28.25
	Total	80.00	11.25	91.25

Total Short Term Facilities (2.A.) = Rs 91.25 crore

Total facilities (1 + 2) = Rs. 300.00 crore



Annexure 2
Press Release
Kisan Mouldings Limited

Ratings

Facilities	Amount (Rs. crore)	Rating ^[1]	Rating Action
Long Term Bank Facilities	208.75	CARE D; Stable; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	91.25	CARE D; Stable; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	300.00 (Rupees Three Hundred Crore only)		

Details of facilities as per Annexure-I

Detailed rating rationale & key rating drivers

CARE had, vide its press release dated April 02, 2020, placed the rating of Kisan Mouldings Limited under the 'Issuer Not Cooperating' category as the company has failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. The company continues to be non-cooperative despite repeated request for submission of information through emails dated February 16, 2021, February 26, 2021 and March 08, 2021; and numerous telephonic interactions. In line with the extant SEBI (Securities and Exchange Board of India) guidelines, CARE has reviewed the ratings on the basis of best available information.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

Detailed description of key rating drivers:

Please refer to PR dated [April 02, 2020](#).

Analytical approach: Consolidated

Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Criteria on assigning 'Outlook' and 'Credit Watch' to Credit Ratings](#)

[CARE's Policy on Default Recognition](#)

[Financial ratios – Non-Financial Sector](#)

¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.

[Criteria on Short Term Instruments](#)

[Rating Methodology – Consolidation](#)

[Rating Methodology – Manufacturing Companies](#)

About the Company

Established in the year 1982, Kisan Mouldings Limited is primarily involved in manufacturing of PolyVinyl Chloride (PVC) pipes and fittings. They also manufacture custom moulded articles, moulded furniture and water tanks. The company processes around 50,000 metric tonnes of polymer each year. The products are marketed under its own brand viz. KISAN & KML CLASSIC through 11 branch offices spread across major cities catering to existing base with 100 distributors and 3,000 dealers' network. It has 5 manufacturing units located in Maharashtra, Karnataka, Madhya Pradesh and Union Territory of Dadra and Nagar Haveli.

Brief Financials	FY19 (A)	FY20 (A)
Total Operating Income	534.40	248.10
PBILDT	31.65	-19.87
PAT	-9.68	-42.09
Overall Gearing (times)	1.26	1.45
Interest Coverage (times)	0.97	-0.63

A – Audited

The financials have been reclassified as per CARE standards.

Status of non-cooperation with previous CRA: CRISIL Limited continues to put the ratings assigned to Kisan Mouldings Limited under 'Non-Cooperation' category vide press release dated October 23, 2020, due to non-submission of information.

Any other information: Not Applicable

Rating History: Please refer Annexure-2

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

Analyst Contact

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About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over nearly two decades; it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board



of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

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Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	108.75	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Funded Interest term Loan	-	-	December 2020	12.50	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan	-	-	December 2024	48.51	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Working capital Term Loan	-	-	December 2021	38.99	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantees	-	-	-	11.25	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-ILC/FLC	-	-	-	80.00	CARE D; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1.	Fund-based - LT-Cash Credit	LT	108.75	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (02-Apr-20)	1)CARE D (09-Apr-19) 2)CARE D; ISSUER NOT COOPERATING* (03-Apr-19)	1)CARE D (06-Sep-18)
2.	Fund-based - LT-Funded Interest term Loan	LT	12.50	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (02-Apr-20)	1)CARE D (09-Apr-19) 2)CARE D; ISSUER NOT COOPERATING* (03-Apr-19)	1)CARE D (06-Sep-18)
3.	Fund-based - LT-Term Loan	LT	48.51	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING*	1)CARE D (09-Apr-19) 2)CARE D;	1)CARE D (06-Sep-18)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
						(02-Apr-20)	ISSUER NOT COOPERATING* (03-Apr-19)	18)
4.	Fund-based - LT-Working capital Term Loan	LT	38.99	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (02-Apr-20)	1)CARE D (09-Apr-19) 2)CARE D; ISSUER NOT COOPERATING* (03-Apr-19)	1)CARE D (06-Sep-18)
5.	Non-fund-based - ST-Bank Guarantees	ST	11.25	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (02-Apr-20)	1)CARE D (09-Apr-19) 2)CARE D; ISSUER NOT COOPERATING* (03-Apr-19)	1)CARE D (06-Sep-18)
6.	Non-fund-based - ST-ILC/FLC	ST	80.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (02-Apr-20)	1)CARE D (09-Apr-19) 2)CARE D; ISSUER NOT COOPERATING* (03-Apr-19)	1)CARE D (06-Sep-18)

*Issuer did not cooperate; Based on best available information

Annexure-3: Complexity level of various instruments rated for this Company

Sr. No.	Name of the Instrument	Complexity Level
1.	Fund-based - LT-Cash Credit	Simple
2.	Fund-based - LT-Funded Interest term Loan	Simple
3.	Fund-based - LT-Term Loan	Simple
4.	Fund-based - LT-Working capital Term Loan	Simple
5.	Non-fund-based - ST-Bank Guarantees	Simple
6.	Non-fund-based - ST-ILC/FLC	Simple