

## Dev Kiran Paper Mills Private Limited

August 03, 2022

### Ratings

Facilities / Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	26.22	<b>CARE C; Stable; ISSUER NOT COOPERATING* (Single C; Outlook: Stable ISSUER NOT COOPERATING*)</b>	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B; Stable; (Single B; Outlook: Stable)
Long Term / Short Term Bank Facilities	9.78	<b>CARE C; Stable / CARE A4; ISSUER NOT COOPERATING* (Single C; Outlook: Stable/ A Four ISSUER NOT COOPERATING*)</b>	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B; Stable / CARE A4; (Single B; Outlook: Stable / A Four)
Short Term Bank Facilities	4.00	<b>CARE A4; ISSUER NOT COOPERATING* (A Four ISSUER NOT COOPERATING*)</b>	Rating continues to remain under ISSUER NOT COOPERATING category
<b>Total Facilities</b>	<b>40.00 (Rs. Forty Crore Only)</b>		

Details of instruments/facilities in Annexure-1

### Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated June 14, 2021, placed the rating(s) of Dev Kiran Paper Mills Private Limited (DKPMPL) under the 'issuer non-cooperating' category as DKPMPL had 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. DKPMPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated April 30, 2022, May 10, 2022, May 20, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

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

The ratings assigned to the bank facilities of DKPMPL have been revised on account of non-availability of requisite information. The rating also considers significant increase in net loss in FY21 over FY20.

### Detailed description of the key rating drivers

Please refer to PR dated [June 14, 2021](#)

**Analytical approach:** Standalone

### Applicable Criteria

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

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

### About the Company

Devkiran Paper Mills Private Limited was incorporated as a private limited company in 1988 and is promoted by Mr. R. H. Sreenivasa Setty, Mr. R. H. Ramakrishna Setty and Mr. R. H. Ramanuja Setty. The company is engaged in manufacturing of kraft paper such as corrugated media kraft paper, test liner, absorbent kraft (used in decorative laminates), kraft liner, etc. Its manufacturing facility is located at Bengaluru, Karnataka.

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and in other CARE publications

\*Issuer did not cooperate; Based on best available information

Brief Financials (Rs. crore)	FY20 (A)	FY21 (A)	FY22 (Prov.)	Q1FY23 (Prov.)
Total operating income	52.40	59.78	NA	NA
PBILDT	5.37	2.36	NA	NA
PAT	-0.58	-4.97	NA	NA
Overall gearing (times)	3.58	7.03	NA	NA
Interest coverage (times)	1.40	0.57	NA	NA

A: Audited; Prov.: Provisional; NA: Not Available

**Status of non-cooperation with previous CRA:** CRISIL continues to categorize rating assigned to the bank facilities of DKPMPL under non-cooperation category vide PR dated September 15, 2021 on account of its inability to carry out a rating surveillance in the absence of the requisite information from the company.

**Any other information:** Not Applicable

**Rating History for last three years:** Please refer Annexure-2

**Covenants of rated instrument/facility:** Please refer Annexure 3

**Complexity level of various instruments rated for this Company:** Please refer Annexure 4

#### Annexure-1: Details of Instruments/Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	12.00	CARE C; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	March 2022	3.37	CARE C; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	February 2025	1.87	CARE C; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	May 2024	3.23	CARE C; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	May 2024	2.62	CARE C; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	June 2026	0.80	CARE C; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	July 2024	1.83	CARE C; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bill Discounting / Bills Purchasing		-	-	-	1.00	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-ILC/FLC		-	-	-	3.00	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - LT-Bank Guarantee		-	-	-	0.50	CARE C; Stable; ISSUER NOT COOPERATING*
LT/ST Fund-based/Non-fund-based-EPC / PCFC / FBP / FBD / WCDL / OD / BG / SBLC		-	-	-	9.78	CARE C; Stable / CARE A4; 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 (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Cash Credit	LT	12.00	CARE C; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (14-Jun-21)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (10-Apr-20)	1)CARE BB-; Stable (10-Apr-19)
2	Fund-based - LT-Term Loan	LT	3.37	CARE C; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (14-Jun-21)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (10-Apr-20)	1)CARE BB-; Stable (10-Apr-19)
3	Fund-based - LT-Term Loan	LT	1.87	CARE C; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (14-Jun-21)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (10-Apr-20)	1)CARE BB-; Stable (10-Apr-19)
4	Fund-based - LT-Term Loan	LT	3.23	CARE C; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (14-Jun-21)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (10-Apr-20)	1)CARE BB-; Stable (10-Apr-19)
5	Fund-based - LT-Term Loan	LT	2.62	CARE C; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (14-Jun-21)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (10-Apr-20)	1)CARE BB-; Stable (10-Apr-19)
6	Fund-based - LT-Term Loan	LT	0.80	CARE C; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (14-Jun-21)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (10-Apr-20)	1)CARE BB-; Stable (10-Apr-19)
7	Fund-based - LT-Term Loan	LT	1.83	CARE C; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (14-Jun-21)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (10-Apr-20)	1)CARE BB-; Stable (10-Apr-19)
8	Non-fund-based - ST-Bill Discounting / Bills Purchasing	ST	1.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (14-Jun-21)	1)CARE A4; ISSUER NOT COOPERATING* (10-Apr-20)	1)CARE A4 (10-Apr-19)
9	Non-fund-based - ST-ILC/FLC	ST	3.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (14-Jun-21)	1)CARE A4; ISSUER NOT COOPERATING* (10-Apr-20)	1)CARE A4 (10-Apr-19)
10	Non-fund-based - LT-Bank Guarantee	LT	0.50	CARE C; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (14-Jun-21)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (10-Apr-20)	1)CARE BB-; Stable (10-Apr-19)
11	LT/ST Fund-based/Non-fund-based-EPC / PCFC / FBP / FBD / WCDL / OD / BG / SBLC	LT/ST	9.78	CARE C; Stable / CARE A4; ISSUER NOT COOPERATING*	-	1)CARE B; Stable / CARE A4; ISSUER NOT COOPERATING* (14-Jun-21)	1)CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING* (10-Apr-20)	1)CARE BB-; Stable / CARE A4 (10-Apr-19)

\*Issuer did not cooperate; Based on best available information

**Annexure 3: Covenants of rated instrument/facility:** Not applicable

**Annexure 4: Complexity level of various instruments rated for this company:**

Sr. No.	Name of Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	LT/ST Fund-based/Non-fund-based-EPC / PCFC / FBP / FBD / WCDL / OD / BG / SBLC	Simple
4	Non-fund-based - LT-Bank Guarantee	Simple
5	Non-fund-based - ST-Bill Discounting / Bills Purchasing	Simple
6	Non-fund-based - ST-ILC/FLC	Simple

**Annexure 5: Bank Lender Details for this Company**

To view the lender wise details of bank facilities please [click here](#)

**Note on complexity levels of the rated instrument:** CARE Ratings Ltd. has classified instruments rated by it on the basis of complexity. This classification is available at [www.careedge.in](http://www.careedge.in). Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for any clarifications.

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**About CARE Ratings Limited:**

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