

KAS Industries India Private Limited

October 11, 2022

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	60.76	CARE BB+; Stable; ISSUER NOT COOPERATING* (Double B Plus; Outlook: Stable; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	60.76 (Rs. Sixty Crore and Seventy-Six Lakhs Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated August 17, 2021, placed the rating(s) of KAS Industries India Private Limited (KIPL) under the 'issuer non-cooperating' category as KIPL 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. KIPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated July 03, 2022, July 13, 2022, July 23, 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).

Detailed description of the key rating drivers

Please refer to PR dated [August 17, 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

KAS Industries (KIPL), promoted by Mr. A Shameem and Mrs. A Shahiba Begam, is engaged in two diverse business segments, manufacturing of yarn and finished leather. The company had installed capacity of 1.92 lakh pair of shoe uppers per annum and 42.0 lakh square feet of finished leather per annum. The operations of the shoe upper segment catering primarily to Hotter Shoes was terminated in February, 2017 due to the pruning down of the Indian suppliers by the latter. Additionally, the company had installed capacity of 78,000 spindles to manufacture finer quality yarns. The company also owns 15 windmills that fulfills half of the power demand of the company.

Brief Financials (Rs. crore)	FY20 (A)	FY21(A)	FY22(Prov.)	H1FY23(Prov.)
Total operating income	135.30	122.44	NA	NA
PBILDT	25.99	29.98	NA	NA
PAT	7.83	12.49	NA	NA
Overall gearing (times)	0.42	0.15	NA	NA
Interest coverage (times)	4.62	10.56	NA	NA

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

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

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

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Covenants of rated instrument/facility: Annexure 3

Complexity level of various instruments rated for this company: 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-Term Loan		-	-	April 2022	39.26	CARE BB+; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit		-	-	-	21.50	CARE BB+; Stable; ISSUER NOT COOPERATING*

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

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings		Rating History				
		Type	Amount Outstanding (Rs. 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-Term Loan	LT	39.26	CARE BB+; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (17-Aug-21)	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (02-Jul-20) 2)CARE BBB-; Stable; ISSUER NOT COOPERATING* (24-Apr-20)	-
2	Fund-based - LT-Cash Credit	LT	21.50	CARE BB+; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (17-Aug-21)	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (02-Jul-20) 2)CARE BBB-; Stable; ISSUER NOT COOPERATING* (24-Apr-20)	-

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

Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities: 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

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 has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About CARE Ratings Limited:

Established in 1993, CARE Ratings Ltd. is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India (SEBI), it has also been acknowledged as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). With an equitable position in the Indian capital market, CARE Ratings Limited provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions backed by knowledge and assessment provided by the company.

With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

Disclaimer

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