

Kanika Furniture Private Limited

October 18, 2022

Ratings

Facilities/Instruments	Amount (Rs crore)	Rating ¹	Rating Action
Long Term Bank Facilities	2.49	CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B; Stable; (Single B; Outlook: Stable)
Short Term Bank Facilities	5.00	CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE A4; (A Four)
Total Bank Facilities	7.49 (Rs Seven Crore and Forty-Nine Lakhs Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated April 11, 2022, placed the rating(s) of Kanika Furniture Private Limited (KFPL) under the 'issuer non-cooperating' category as KFPL 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. KFPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated October 17, 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 KFPL have been revised on account of delays in debt servicing recognized from lender's feedback.

Detailed description of the key rating drivers

Please refer to PR dated [April 11, 2022](#)

Analytical approach: Standalone

Applicable Criteria

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

[Policy on default recognition](#)

About the Company

Kanika Furniture Private Limited (KFPL) was incorporated in the year 2003 with its office located at Bhubaneswar, Odisha. Since its inception, the entity has been engaged in interior decoration solutions on behalf of various corporate clients across Odisha. This apart, the company was also engaged in trading of various furniture items through dealers spreading across Jharkhand, Odisha, West Bengal and Chhattisgarh under the brand name "Kiran". Mr. Ritesh Agarwal having almost two decades of experience in similar line of business looks after the day to day operations of the entity along with other technical and non-technical professionals who are having long experience in this industry.

Brief Financials (Rs. crore)	FY20 (A)	FY21 (A)	FY22 (Prov.)	H1FY23 (Prov.)
Total operating income	10.92	10.85	NA	NA
PBILDT	1.57	1.53	NA	NA
PAT	0.12	0.18	NA	NA
Overall gearing (times)	1.21	1.40	NA	NA
Interest coverage (times)	1.64	1.65	NA	NA

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

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

Status of non-cooperation with previous CRA: CRISIL has continued the rating assigned to the bank facilities of KFPL into Issuer Not Cooperating category vide press release dated September 21, 2022 on account of its inability to carry out a review 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: Annexure-3

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

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	IS IN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	1.50	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	December 2023	0.99	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	5.00	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) 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	1.50	CARE D; ISSUER NOT COOPERATING*	1)CARE B; Stable; ISSUER NOT COOPERATING* (11-Apr-22)	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (21-Jan-21)	1)CARE BB-; Stable (26-Nov-19)
2	Fund-based - LT-Term Loan	LT	0.99	CARE D; ISSUER NOT COOPERATING*	1)CARE B; Stable; ISSUER NOT COOPERATING* (11-Apr-22)	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (21-Jan-21)	1)CARE BB-; Stable (26-Nov-19)
3	Non-fund-based - ST-Bank Guarantee	ST	5.00	CARE D; ISSUER NOT COOPERATING*	1)CARE A4; ISSUER NOT COOPERATING* (11-Apr-22)	-	1)CARE A4; ISSUER NOT COOPERATING* (21-Jan-21)	1)CARE A4 (26-Nov-19)

**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 the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - ST-Bank Guarantee	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:

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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.

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