

Kumar Arch Tech Private Limited

November 18, 2021

Rating

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	5.57	CARE BB; Stable; ISSUER NOT COOPERATING* (Double B; Outlook: Stable ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB+; Stable; (Double B Plus; Outlook: Stable)
Long Term / Short Term Bank Facilities	14.00	CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING* (Double B; Outlook: Stable/ A Four ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB+; Stable / CARE A4+; (Double B Plus ; Outlook: Stable / A Four Plus)
Short Term Bank Facilities	12.50	CARE A4; ISSUER NOT COOPERATING* (A Four ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE A4+; (A Four Plus)
Total Bank Facilities	32.07 (Rs. Thirty-Two Crore and Seven Lakhs Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated November 04, 2020, placed the rating(s) of Kumar Arch Tech Private Limited (KATPL) under the 'issuer non-cooperating' category as KATPL 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. KATPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated September 20, 2021, September 30, 2021, October 10, 2021.

In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE'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 KATPL have been revised on account of non-availability of requisite information. The rating also factored in decline in scale of operation during FY20.

Detailed description of the key rating drivers

Please refer to PR dated [November 04, 2020](#)

Analytical approach: Standalone

Applicable Criteria

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

[Policy on default recognition](#)

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

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

About the Company

Udaipur (Rajasthan) based KATPL was incorporated in 1998 by Mr. Vijay Lal Agarwal and Ms. Kanta Agarwal. Later, other family members and associate concerns of the promoters also became shareholders in the company and currently Mr. Shubham Taylia, Ms Shakun Taylia and Ms Surbhi Jitendra Kumar Taylia look after overall affairs of the company. Initially, KATPL was engaged in the business of manufacturing of PVC sheets. It has expanded its business and currently offers PVC doors & frames along with PVC based building material, PVC based signage material, decorative items and PVC based other products. It has three operational units located at Gudli Industrial Area, Udaipur with an aggregate installed capacity of 14000 MTPA for manufacturing of PVC sheets, PVC doors and other articles. It markets its products under the brand name of "ECHON" "ECOCELL" and "WUDPLUS". The company's manufacturing facilities are ISO 9001-2008 and 14001-2004 certified.

Brief financials of KATPL:

Brief Financials (Rs. crore)	FY19(A)	FY20(A)
Total operating income	135.36	122.94
PBILDT	9.64	12.99
PAT	3.88	5.55
Overall gearing (times)	0.73	0.61
Interest coverage (times)	3.73	4.12

A: Audited

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Disclosure of Interest of Independent/Non-Executive Directors, Managing Director & CEO: 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	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT/ ST-Cash Credit	-	-	-	-	14.00	CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantees	-	-	-	-	0.80	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit	-	-	-	-	10.70	CARE A4; ISSUER NOT COOPERATING*
Fund-based - ST-SLC-WC	-	-	-	-	1.00	CARE A4; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan	-	-	-	April 2023	5.57	CARE BB; Stable; 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/ ST-Cash Credit	LT/ ST	14.00	CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING*	-	1)CARE BB+; Stable / CARE A4+; ISSUER NOT COOPERATING* (04-Nov-20)	1)CARE BB+; Positive / CARE A4+ (03-Mar-20) 2)CARE BB+; Stable / CARE A4+; ISSUER NOT COOPERATING* (03-Apr-19)	1)CARE BB+; Stable / CARE A4+ (29-Aug-18)
2	Non-fund-based - ST-Bank Guarantees	ST	0.80	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4+; ISSUER NOT COOPERATING* (04-Nov-20)	1)CARE A4+ (03-Mar-20) 2)CARE A4+; ISSUER NOT COOPERATING* (03-Apr-19)	1)CARE A4+ (29-Aug-18)
3	Non-fund-based - ST-Letter of credit	ST	10.70	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4+; ISSUER NOT COOPERATING* (04-Nov-20)	1)CARE A4+ (03-Mar-20) 2)CARE A4+; ISSUER NOT COOPERATING* (03-Apr-19)	1)CARE A4+ (29-Aug-18)
4	Fund-based - ST-SLC-WC	ST	1.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4+; ISSUER NOT COOPERATING* (04-Nov-20)	1)CARE A4+ (03-Mar-20) 2)CARE A4+; ISSUER NOT COOPERATING* (03-Apr-19)	1)CARE A4+ (29-Aug-18)
5	Fund-based - LT-Term Loan	LT	5.57	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (04-Nov-20)	1)CARE BB+; Positive (03-Mar-20) 2)CARE BB+; Stable; ISSUER NOT COOPERATING* (03-Apr-19)	1)CARE BB+; Stable (29-Aug-18)

*Issuer did not cooperate; Based on best available information

Annexure-3: Detailed explanation of covenants of the rated instrument / 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-Term Loan	Simple
2	Fund-based - LT/ ST-Cash Credit	Simple
3	Fund-based - ST-SLC-WC	Simple
4	Non-fund-based - ST-Bank Guarantees	Simple
5	Non-fund-based - ST-Letter of credit	Simple

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.

Contact us

Media Contact

Name - Mradul Mishra
Contact no. - +91-22-6754 3573
Email ID - mradul.mishra@careratings.com

Analyst Contact

Name - Shachee Nakul Vyas
Contact no.- +918511182592
Email ID - shachee.tripathi@careratings.com

Relationship Contact

Name - Deepak Purshottambhai Prajapati
Contact no. - +91794026 5656
Email ID - deepak.prajapati@careratings.com

About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over 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

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.

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**