

K.V. Tex Firm

March 10, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	11.17	CARE C; ISSUER NOT COOPERATING*	Rating moved to ISSUER NOT COOPERATING category
Long Term / Short Term Bank Facilities	23.00	CARE C / CARE A4; ISSUER NOT COOPERATING*	Rating moved to ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

*Issuer did not cooperate; based on best available information.

Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) has been seeking information from K.V. Tex Firm to monitor the rating vide latest e-mail communications January 05, 2026, January 09, 2026, January 16, 2026, February 11, 2026, February 18, 2026, February 20, 2026 February 25, 2026 and February 27,2026 along with numerous phone calls. However, despite our repeated requests, the firm has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CareEdge Ratings has reviewed the rating on the basis of the best available information which however, in CareEdge Ratings' opinion is not sufficient to arrive at a fair rating. The ratings on K.V. Tex Firm's bank facilities will now be denoted as '**CARE C; ISSUER NOT COOPERATING/ CARE A4; ISSUER NOT COOPERATING.**

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 K.V. Tex Firm factored in delays in debt servicing on one of its term loan facilities (not rated by CareEdge Ratings), moderate capital structure and capital withdrawal risk associated with partnership firm and geographical concentration risk and presence in competitive industry. The ratings, however, derive comfort from the experience of the promoters and long-track record of operations of the firm.

Analytical Approach: Standalone

Outlook: Not Applicable

Detailed description of the key rating drivers

At the time of last rating on April 01, 2025 the following were the rating strengths and weaknesses.

Key weaknesses

Delay in debt servicing

As per the due diligence exercise conducted by CARE Ratings Ltd., it is understood that there were delays in servicing the availed loan facilities (not rated by CARE Rating Ltd).

Moderate capital structure and capital withdrawal risk associated with partnership firm

The capital structure of the firm remained moderate with the overall gearing at 2.35x as of March 2024 (PY 2.44x). Further, the firm continued to remain as a closely held partnership firm since inception and capital withdrawal risk is inherent to the partnership nature of the firm.

Geographical concentration risk and presence in competitive industry

Firm's outlets, including the proposed showroom, are located at Cuddalore and Puducherry region in close proximity to one another, exposing the firm to geographical concentration risk. Furthermore, in addition to local competition, stores in Cuddalore and Puducherry face competition due to their proximity to Chennai, which has wider offerings with the presence of other established/organized/unorganized retailers, resulting in intense competition in attracting/retaining customers.

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Key strengths

Long track record of operations

The firm has been operational for nearly three decades and currently operates three showrooms in Cuddalore and Puducherry (all of which are owned) with a total retail space of 1.55 lakh sq. ft., with products catering to lower middle-class & middle-class segment. Cuddalore showroom was started in 2013 while the outlet at Puducherry which commenced operation in 2018 faced closure due to issues on the construction like insufficient parking space as identified by the municipal corporation. However, the outlet resumed its operation by the end of 2021. The firm also has 3 warehouses with total area of 65,000 sq. ft. (of which 1 warehouse is owned with area of 25,000 sq. ft). The outlets are large format retail stores. Major sale volume is derived from sales of readymade garments of men, women, and children.

Experienced promoters

The promoters have three decades of experience in the textile retail industry. M. Venkateswaran, managing partner, oversees the day-to-day operations of the textile showrooms. He is supported by other partners in the day-to-day operations.

Applicable Criteria

[Criteria on Information Adequacy Risk and Issuer Non-Cooperation](#)

[Policy on Default Recognition](#)

[CARE Ratings' Criteria on Rating of Short-Term Instruments](#)

[Financial Ratios – Non-financial Sector](#)

[Retail](#)

About the firm and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer Discretionary	Textiles	Textiles & Apparels	Trading - Textile Products

KV Tex Firm is a partnership firm founded in 2013 by the brothers Kannappan and Venkateswaran, together with their spouses. The firm operates large-format retail outlets, with a major focus on textiles. KV Tex Firm is currently operating with a retail space of 1.55 lakh square feet over three showrooms, two of which are in Cuddalore and the other in Puducherry.

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)	11MFY25(UA)
Total operating income	214.32	226.43	225.00
PBILDT*	13.71	15.35	NA
Profit after tax (PAT)	2.95	4.02	NA
Overall gearing (x)	2.44	2.35	NA
Interest coverage (x)	2.10	2.03	NA

A: Audited UA: Unaudited; Note: these are latest available financial results

*PBILDT: Profit before interest, lease rentals, depreciation and tax

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating history for last three years: Annexure-2

Covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Term Loan		-	-	30-05-2028	11.17	CARE C; ISSUER NOT COOPERATING*
Fund-based - LT/ST-Bank Overdraft		-	-	-	23.00	CARE C / CARE A4; ISSUER NOT COOPERATING*

*Issuer did not cooperate; based on best available information.

Annexure-2: Rating history for 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 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Term Loan	LT	11.17	CARE C; ISSUER NOT COOPERATING*	1)CARE C (01-Apr-25)	-	1)CARE BB-; Stable (28-Mar-24)	1)CARE BB-; Stable (13-Jan-23)
2	Fund-based - LT/ ST-Bank Overdraft	LT/ST	23.00	CARE C / CARE A4; ISSUER NOT COOPERATING*	1)CARE C / CARE A4 (01-Apr-25)	-	-	-

*Issuer did not cooperate; based on best available information.

LT: Long term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not Applicable**Annexure-4: Complexity level of instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple
2	Fund-based - LT/ ST-Bank Overdraft	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please click here
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Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

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About us:

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