

K P N Textile Mills Private Limited

December 27, 2021

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	8.40	CARE BB-; Stable; ISSUER NOT COOPERATING* (Double B Minus; Outlook: Stable; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB; Stable; (Double B; Outlook: Stable)
Short Term Bank Facilities	1.77	CARE A4; ISSUER NOT COOPERATING* (A Four; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	10.17 (Rs. Ten Crore and Seventeen Lakhs Only)		

Details of facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated November 27, 2020, placed the rating(s) of K P N Textile Mills Private Limited (KPNTMPL) under the 'issuer non-cooperating' category as KPNTMPL 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. KPNTMPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated October 13, 2021, October 23, 2021 and November 02, 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 KPNTMPL have been revised on account of non-availability of requisite information.

Detailed description of the key rating drivers

Please refer to PR dated [November 27, 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](#)

About the Company

K P N Textile Mills Private Limited (KPNTMPL) was incorporated in Sep 6, 2006 by Mr. K.P. Nachimuthu (Managing Director). KPNTMPL is currently being managed by his son Mr. N. Senthil Kumar who is Joint Managing Director of the company. The company is engaged in the manufacturing of 100% viscose yarn both in hank as well as in cone form. KPNTMPL has an installed capacity of 14,112 spindles with maximum production of 3100 tons per annum of viscose yarn as on September 18, 2017 along with wind mill capacity of 850 KW as on September 18, 2017 which is used primarily for captive consumption. The manufacturing facility is located in Namakkal district, Tamil Nadu. The windmill is located in Dharapuram, Tirupur district, Tamil Nadu and operational since June 2012.

Brief Financials (Rs. crore)	31-03-2020 (A)	31-03-2021(A)	H1FY22 (Prov.)
Total operating income	49.73	NA	NA
PBILDT	4.62	NA	NA
PAT	1.34	NA	NA
Overall gearing (times)	0.76	NA	NA
Interest coverage (times)	4.14	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 vide its press release dated May 19, 2021 has continued the rating of KPNTMPL to the 'Issuer Not Cooperating' category on account of its inability to carry out a review in the absence of requisite information from the company.

ICRA vide its press release dated April 05, 2013 has suspended the rating of KPNTMPL on account of its inability to carry out a review in the absence of 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	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		-	-	November 2021	3.40	CARE BB-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit		-	-	-	5.00	CARE BB-; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantees		-	-	-	0.27	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit		-	-	-	1.50	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 (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-Term Loan	LT	3.40	CARE BB-; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (27-Nov-20)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (03-Sep-19)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (14-Dec-18)
2	Fund-based - LT-Cash Credit	LT	5.00	CARE BB-; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (27-Nov-20)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (03-Sep-19)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (14-Dec-18)
3	Non-fund-based - ST-Bank Guarantees	ST	0.27	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (27-Nov-20)	1)CARE A4; ISSUER NOT COOPERATING* (03-Sep-19)	1)CARE A4; ISSUER NOT COOPERATING* (14-Dec-18)
4	Non-fund-based - ST-Letter of credit	ST	1.50	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (27-Nov-20)	1)CARE A4; ISSUER NOT COOPERATING* (03-Sep-19)	1)CARE A4; ISSUER NOT COOPERATING* (14-Dec-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-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - ST-Bank Guarantees	Simple
4	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. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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