

## Kisan Mouldings Limited

April 02, 2020

### Ratings

Facilities	Amount (Rs. crore)	Ratings <sup>1</sup>	Rating Action
Long-term Bank Facilities	208.75	<b>CARE D; ISSUER NOT COOPERATING (Single D)</b>	<b>Issuer Not Cooperating; Based on best available information</b>
Short-term Bank Facilities	91.25	<b>CARE D; ISSUER NOT COOPERATING (Single D)</b>	<b>Issuer Not Cooperating; Based on best available information</b>
<b>Total</b>	<b>300.00 (Rupees Three Hundred Crore only)</b>		

*Details of instruments/facilities in Annexure-1*

### Detailed Rationale & Key Rating Drivers

CARE has been seeking information from Kisan Mouldings Limited to monitor the rating vide emails dated January 09, 2020, February 03, 2020, February 17, 2020, March 09, 2020, March 12, 2020, March 13, 2020, March 16, 2020, March 17, 2020; and numerous telephonic interactions. However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings. The company has also not paid the surveillance fees for the rating exercise as agreed in its Rating Agreement. In line with the extant SEBI (Securities and Exchange Board of India) guidelines, CARE has reviewed the ratings on the basis of best available information which however, in CARE's opinion is not sufficient to arrive at a fair rating. The rating on the company's bank facilities will now be denoted as **'CARE D; 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).**

### Detailed description of the key rating drivers

At the time of last rating on April 09, 2019, the following were the rating weaknesses.

#### Key Rating Weaknesses

##### **Delays in servicing of debt obligation**

There are continuing delays in debt servicing as reported by the lenders and company.

#### Analytical approach: Consolidated

*(The company has a wholly-owned subsidiary – KML Tradelinks Private Limited)*

#### Applicable Criteria

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

[Criteria on assigning Credit Watch](#)

[CARE's Policy on Default Recognition](#)

#### About the company

Established in the year 1982, Kisan Mouldings Limited is primarily involved in manufacturing of PolyVinyl Chloride (PVC) pipes and fittings. They also manufacture custom moulded articles, moulded furniture and water tanks. The company processes around 50,000 metric tonnes of polymer each year. The products are marketed under its own brand viz. KISAN & KML CLASSIC through 11 branch offices spread across major cities catering to existing base with 100 distributors and 3,000 dealers' network. It has 5 manufacturing units located in Maharashtra, Karnataka, Madhya Pradesh and Union Territory of Dadra and Nagar Haveli.

Brief Financials (Rs. crore)	FY18 (A)	FY19 (A)
Total operating income	562.88	534.70
PBILDT	45.10	31.94
PAT	0.42	-9.68
Overall gearing (times)	1.24	1.26
Interest coverage (times)	1.26	0.98

A – Audited

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and other CARE publications

The financials has been reclassified as per CARE standards.

**Status of non-cooperation with previous CRA:** CRISIL Limited continues to put the ratings assigned to Kisan Mouldings Limited under 'Non-Cooperation' category vide press release dated July 24, 2019, due to non-submission of information.

**Any other information:** Not Applicable

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

#### Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	108.75	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information
Fund-based - LT-Funded Interest term Loan	-	-	December 2020	12.50	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information
Fund-based - LT-Term Loan	-	-	December 2024	48.51	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information
Fund-based - LT-Working capital Term Loan	-	-	December 2021	38.99	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information
Non-fund-based - ST-Bank Guarantees	-	-	-	11.25	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information
Non-fund-based - ST-ILC/FLC	-	-	-	80.00	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; 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 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Fund-based - LT-Cash Credit	LT	108.75	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	1)CARE D (09-Apr-19) 2)CARE D; ISSUER NOT COOPERATING* (03-Apr-19)	1)CARE D (06-Sep-18)	1)CARE B+; Stable (12-Jan-18)	-
2.	Fund-based - LT-Funded Interest term Loan	LT	12.50	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available	1)CARE D (09-Apr-19) 2)CARE D; ISSUER NOT COOPERATING* (03-Apr-19)	1)CARE D (06-Sep-18)	1)CARE B+; Stable (12-Jan-18)	-

				information				
3.	Fund-based - LT-Term Loan	LT	48.51	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	1)CARE D (09-Apr-19) 2)CARE D; ISSUER NOT COOPERATING* (03-Apr-19)	1)CARE D (06-Sep-18)	1)CARE B+; Stable (12-Jan-18)	-
4.	Fund-based - LT-Working capital Term Loan	LT	38.99	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	1)CARE D (09-Apr-19) 2)CARE D; ISSUER NOT COOPERATING* (03-Apr-19)	1)CARE D (06-Sep-18)	1)CARE B+; Stable (12-Jan-18)	-
5.	Non-fund-based - ST-Bank Guarantees	ST	11.25	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	1)CARE D (09-Apr-19) 2)CARE D; ISSUER NOT COOPERATING* (03-Apr-19)	1)CARE D (06-Sep-18)	1)CARE A4 (12-Jan-18)	-
6.	Non-fund-based - ST-ILC/FLC	ST	80.00	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	1)CARE D (09-Apr-19) 2)CARE D; ISSUER NOT COOPERATING* (03-Apr-19)	1)CARE D (06-Sep-18)	1)CARE A4 (12-Jan-18)	-

**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](http://www.careratings.com). Investors/market intermediaries/regulators or others are welcome to write to [care@careratings.com](mailto:care@careratings.com) for any clarifications.

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### About CARE Ratings:

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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](http://www.careratings.com)**