Kaynes Technology India Private Limited

January 29, 2019

Summary of Rated Instrument:

Instrument	Previous Rated Amount(Rs. crore)	Current Rated Amount(Rs. crore)	Rating Action
Long term: Fund based facilities – Term Loan	7.95	7.95	[ICRA]BB+(Stable) ISSUER NOT COOPERATING; moved to Issuer Not Cooperating category*;
Long term: Fund based facilities	40.0	40.0	[ICRA]BB+(Stable) ISSUER NOT COOPERATING; moved to Issuer Not Cooperating category *;
Long term: Interchangeable	(28.0)	(28.0)	[ICRA]BB+(Stable) ISSUER NOT COOPERATING; moved to Issuer Not Cooperating category *
Short term – Fund based facilities	38.05	38.05	[ICRA]A4+ ISSUER NOT COOPERATING; moved to Issuer Not Cooperating category *
Short term: Interchangeable	(28.0)	(28.0)	[ICRA]A4+ ISSUER NOT COOPERATING; moved to Issuer Not Cooperating category *
Total	**86.0**	**86.0**	

*Issuer did not co-operate; based on best available information.

Rationale

The rating for the Rs. 86.00 crore bank facilities of Kaynes Technology India Private Limited (Kaynes) is moved to 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]BB+(stable)/A4+; ISSUER NOT COOPERATING".

ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity's management has remained non-cooperative. The current rating action has been taken by ICRA basis best available/dated/ limited information on the issuers' performance. Accordingly, the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity.

Analytical approach

ICRA has applied its rating methodologies/policies as indicated below:

Links to applicable criteria:

Policy in respect of non-cooperation by the rated entity

About the company:

Kaynes Technology India Private Limited ("KTIPL" / "the Company") is a moderate sized player in the Indian Electronics Manufacturing Services (EMS) industry, primarily engaged in turnkey contracts for manufacturing of circuit boards primarily for IT peripherals, industrial controls, rail signaling, telecom, energy, medical, automobiles, defense verticals for customers namely Seimens, Invensys Rail India, Ansaldo, Larsen & Tubro, Bharat Electronics, Kone Elevator to name a few. Established in 1988 as a sole proprietorship with a single unit at Mysore, KTIPL was converted into a private limited Company in 2008. Further, the Company has also been frequently expanding its operations with the addition of new units to cater to the increase in volumes on the back of entry into newer segments.

Key financial indicators:

	FY2017	FY2018
OI (Rs. crore)	277.9	369.4
PAT (Rs. crore)	7.2	14.7
OPBDIT/OI (%)	7.7	10.0
RoCE (%)	12.9	21.0
Total Debt/TNW (times)	1.4	1.2
Total Debt/OPBDIT (times)	4.5	2.6
Interest coverage (times)	1.7	2.5

The previous detailed rating rationale is available on the following link: Click here

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

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