December 03, 2019

Kaynes Technology India Private Limited: Rating downgraded to [ICRA]D/[ICRA]D Issuer non cooperating; Ratings continue to remain in 'Issuer Not Cooperating' category

Summary of rating action

Instrument^	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long term: Fund based facilities	40.00	40.00	[ICRA]D ISSUER NON COOPERATING*; downgraded from [ICRA]BB+ (Stable); Ratings continue to remain in 'Issuer Not Cooperating' category
Long term: Fund based facilities – Term Loan	7.95	7.95	ICRA]D ISSUER NON COOPERATING*; downgraded from [ICRA]BB+ (Stable); Ratings continue to remain in 'Issuer Not Cooperating' category
Long term: Interchangeable	(28.00)	(28.00)	ICRA]D ISSUER NON COOPERATING*; downgraded from [ICRA]BB+ (Stable) ; Ratings continue to remain in 'Issuer Not Cooperating' category
Short term – Fundbased facilities	38.05	38.05	ICRA]D ISSUER NON COOPERATING*; downgraded from [ICRA]A4+ ; Ratings continue to remain in 'Issuer Not Cooperating' category
Short term: Interchangeable	(28.00)	(28.00)	ICRA]D ISSUER NON COOPERATING*; downgraded from [ICRA]A4+ ; Ratings continue to remain in 'Issuer Not Cooperating' category
Total	**86.00**	**86.00**	

**Issuer did not cooperate; based on best available information*
^Instrument details are provided in Annexure-1

Rationale

The rating downgrade factors in the delay in debt-servicing, as confirmed by the banker. ICRA has limited information on the entity's performance since the time it was last rated with information in January 2019.

As part of its process and in accordance with its rating agreement with Kaynes Technology India Private Limited, 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. In the absence of requisite information and in line with SEBI's Circular No. SEBI/HO/MIRSD4/CIR/2016/119, dated November 01, 2016, ICRA's Rating Committee has taken a rating view based on the best available information.

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.

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

Status of non-cooperation with previous CRA: **NA**

Any other information: **None**

Rating history for last three years:

	Instrument	Current Rating (FY2020)				Chronology of Rating History for the past 3 years		
		Type	Amount Rated	Amount Outstanding	Date & Rating in FY2020	Date & Rating in FY2019	Date & Rating in FY2018	Date & Rating in FY2017
					03-Dec-19	29-Jan-19	-	10-Jul-17
1	Fund based facilities	Long term	40.00	-	[ICRA]D; ISSUER NON-COOPERATING	[ICRA]BB+ (Stable) ISSUER NOT COOPERATING	-	[ICRA]BB+ (Stable)
2	Term Loan	Long Term	7.95	-	[ICRA]D; ISSUER NON-COOPERATING	[ICRA]BB+(Stable) ISSUER NOT COOPERATING	-	[ICRA]BB+ (Stable)
3	Interchangeable	Long Term	(28.00)	-	[ICRA]D; ISSUER NON-COOPERATING	[ICRA]BB+(Stable) ISSUER NOT COOPERATING	-	[ICRA]BB+ (Stable)
4	Fundbased facilities	Short Term	38.05	-	[ICRA]D; ISSUER NON-COOPERATING	[ICRA]A4+ ISSUER NOT COOPERATING	-	[ICRA]A4+
5	Interchangeable	Short Term	(28.00)	-	[ICRA]D; ISSUER NON-COOPERATING	[ICRA]A4+ ISSUER NOT COOPERATING	-	[ICRA]A4+

Amount in Rs. Crore

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument Details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Fund based facilities	-	-	-	40.00	[ICRA]D; ISSUER NON-COOPERATING
NA	Term Loan	-	-	-	7.95	[ICRA]D; ISSUER NON-COOPERATING
NA	Interchangeable	-	-	-	(28.00)	[ICRA]D; ISSUER NON-COOPERATING
NA	Fundbased facilities	-	-	-	38.05	[ICRA]D; ISSUER NON-COOPERATING
NA	Interchangeable	-	-	-	(28.00)	[ICRA]D; ISSUER NON-COOPERATING

Source: Kaynes Technology India Private Limited

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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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