

Kautilya Industries Private Limited

July 10, 2018

Summary of rated instruments

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term Fund-based Term Loan	18.5	0.0	[ICRA]BBB- (Stable) ISSUER NOT COOPERATING*; Withdrawn
Long-term Fund-based Cash Credit	5.0	0.0	[ICRA]BBB- (Stable) ISSUER NOT COOPERATING*; Withdrawn
Total Amount Rated	23.5	0.0	

*Instrument details are provided in Annexure-1

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

Rating action

ICRA has withdrawn the long-term rating of “[ICRA]BBB- (Stable), ISSUER NOT COOPERATING” (pronounced ICRA triple B minus with stable outlook and under ISSUER NOT COOPERATING category) assigned to the bank facilities of Rs. 23.5 crore of Kautilya Industries Private Limited (KIPL or the company)¹.

Rationale

The rating assigned to the bank facilities of Kautilya Industries Private Limited (“KIPL” or “the company”) has been withdrawn at the request of the company in accordance with ICRA’s policy on withdrawal and suspension as there is no amount outstanding against the rated instrument.

Analytical approach: For arriving at the ratings, ICRA has applied its rating methodologies as indicated below.

Links to applicable criteria:

[ICRA Policy on Withdrawal and Suspension of Credit Rating](#)
[Corporate Credit Ratings: A Note on Methodology](#)

About the company:

KIPL, a manufacturer and exporter of knitted garments, was incorporated in 1977 with its operations in Delhi. The company shifted its operations to Gurgaon in 1997. At present the company has two manufacturing facilities in Udyog Vihar, Gurgaon on plots owned by the promoters, with a manufacturing capacity of around 1500 metric tonnes (MT) of knitted fabric and 9,00,000 garment pieces. Women’s garments contribute to majority of the company’s sales. The company has set up a yarn manufacturing facility of 1500 MT in Bhiwadi, Rajasthan. The plant commenced operations in September 2015.

KIPL registered an operating income (OI) of Rs. 81.7 crore and a profit after tax (PAT) of Rs. 4.5 crore in FY2017 compared with an OI of Rs. 77.1 crore and a PAT of Rs. 7.3 crore in the previous year.

¹ For complete rating scale and definitions, please refer to ICRA’s website www.icra.in or other ICRA Rating Publications

Key financial indicators:

	FY2016	FY2017
Operating Income (Rs. crore)	77.1	81.7
PAT (Rs. crore)	7.3	4.5
OPBDIT/OI (%)	19.8%	17.5%
RoCE (%)	33.5%	16.9%
Total Debt/TNW (times)	0.5	0.6
Total Debt/OPBDIT (times)	1.2	1.7
Interest Coverage (times)	10.0	6.1

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years:

Current Rating (FY2019)					Chronology of Rating History for the past 3 years			
	Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs Crore)	Date & Rating in FY2019	Date & Rating in FY2017	Date & Rating in FY2016	Date & Rating in FY2015	
				July 2018	January 2017	September 2015	October 2014	
1	Term Loan	18.5	0.0*	[ICRA]BBB-(Stable) ISSUER NOT COOPERATING Withdrawn	[ICRA]BBB-(Stable) ISSUER NOT COOPERATING	[ICRA]BBB-(Stable)	[ICRA]BBB-(Stable)	
2	Cash Credit	5.0	0.0*	[ICRA]BBB-(Stable) ISSUER NOT COOPERATING Withdrawn	[ICRA]BBB-(Stable) ISSUER NOT COOPERATING	[ICRA]BBB-(Stable)	[ICRA]BBB-(Stable)	

Source: Kautilya Industries Private Limited

*As on March 31, 2018 for the rated instrument

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	Term Loans	2014	BR+2.55%	2019	18.5	[ICRA]BBB- (Stable) ISSUER NOT COOPERATING Withdrawn
NA	Cash Credit	-	-	-	5.0	[ICRA]BBB- (Stable) ISSUER NOT COOPERATING Withdrawn

Source: Kautilya Industries Private Limited

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