

## Press Release

### Kirtiman Cements and Packaging Industries Limited

February 13, 2023



#### Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	10.00	ACUITE D   Downgraded   Issuer not co-operating*	-
<b>Total Outstanding Quantum (Rs. Cr)</b>	10.00	-	-

\*The issuer did not co-operate; Based on best available information

#### Rating Rationale

Acuite has downgraded its long term rating to '**ACUITE D**' (read as **ACUITE D**) from '**ACUITE B+**' (read as **ACUITE B plus**) on the Rs.10.00 crore bank facilities of Kirtiman Cement and Packaging Industries Limited. The rating continues to be flagged as "Issue Not-Cooperating". The downgrade is on the basis that the company has ongoing delays in servicing of debt obligations as recognized from publicly available information.

#### About the Company

Kirtiman Cements & Packaging Industries Limited (KCPIL), established in 1996, is a Haryana-based company promoted by Mr. Ashwani Kumar Oberoi, Mr. Sunil Kumar Oberoi and family. The company commenced operations in August 2008 and is engaged in manufacturing and trading of poly propylene (PP) woven fabric and PP woven fabric bags. The company has an installed capacity of 6800 metric tonnes (MT) per annum and KCPIL manufacturing unit is located at Haryana.

#### Non-cooperation by the issuer/borrower:

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer / borrower failed to submit such information before due date. Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating continues to be flagged as "Issuer notcooperating", in line with prevailing SEBI regulations and Acuite's policies.

#### Limitation regarding information availability:

The rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). Acuite endeavored to gather information about the entity / industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based

#### Key Financials

No information provided .by the issuer for Acuite to comment upon

#### Rating Sensitivity

No information provided by the issuer / available for Acuite to comment upon

## Material Covenants

None

## Liquidity Position

No information provided by the issuer / available for Acuite to comment upon.

## Outlook

Not Applicable

## Other Factors affecting Rating

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

## Status of non-cooperation with previous CRA

Care vide its press release dated Feb 08, 2023 had downgraded the rating of KCPIL as 'CARE D'.

BWR vide its press release dated May 09, 2022 had downgraded the rating of KCPIL as 'BWR BB+'.

Crisil vide its press release dated Mar 17, 2022 had reaffirmed the rating of KCPIL as 'CRISIL BB'.

## Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

## Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

## Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on [www.acuite.in](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
26 May 2022	Cash Credit	Long Term	10.00	ACUITE B+ ( Issuer not co-operating*)
24 Feb 2021	Cash Credit	Long Term	10.00	ACUITE B+ (Downgraded and Issuer not co-operating*)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Punjab National Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	10.00	ACUITE D   Downgraded   Issuer not co-operating*

## Contacts

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### About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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