



## Press Release

### Kalinga International

June 14, 2023

Ratings  
:

S.No.	Instrument / Facility	Amount (Rs. Crore)	Current Ratings	Previous Ratings	Rating Action	<a href="#">Complexity Indicator</a>
1.	Long Term Bank Facilities	16.83	IVR D; ISSUER NOT COOPERATING (IVR D; ISSUER NOT COOPERATING)	IVR D (IVR D)	Reaffirmed and moved to issuer not cooperating	Simple
2.	Long Term/Short Term Bank Facilities	0.17	IVR D; ISSUER NOT COOPERATING (IVR D; ISSUER NOT COOPERATING)	IVR D (IVR D)	Reaffirmed and moved to issuer not cooperating	Simple
Total		17.00	(INR Seventeen crores Only)			

\* Issuer not cooperating; Based on best available information

Details of Facilities are in Annexure 1

Detailed Rationale:



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The rating is revised because of lack of adequate information regarding Kalinga International performance and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade.

### **Non-cooperation by Issuer:**

Infomerics has been regularly following up with the Company to provide the required data to monitor its assigned ratings to the bank facilities, vide mails communications April 5, 2023, April 6, 2023, April 10, 2023, April 11, 2023, April 13, 2023, and April 19, 2023, and concurrently over several phone calls. However, despite repeated requests by Infomerics, the firm's management has not submitted all the essential details/information for surveillance exercise.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the bank loan ratings aggregating to Rs. 17.00 Crore of Kalinga International shall be moved to 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as IVR D; ISSUER NOT COOPERATING based on best available information.

**Analytical Approach:** Standalone

### **Applicable Criteria:**

[Rating Methodology for Trading companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Criteria on Default Recognition and Post-Default Curing Period](#)

**About the Company**



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Kalinga International is known to be amongst the prominent manufacturer and trader of LED Lights and Electrical Cables. The offered range is made up of the LED Round Panel Light, LED Square Panel Light, LED Round Surface Mount Light, LED Square Surface Mount Light, LED COB Downlight and Electrical Wires. It is a partnership firm operated by Mr. Kul Bhushan Sethi and Mr. Rishi Sethi.

### Financials: Standalone

(Rs. Crore)

For the year ended* / As on	31-03-2020	31-03-2021
	(Audited)	(Audited)
Total Operating Income	46.16	40.27
EBITDA	0.79	0.83
PAT	0.15	0.14
Total Debt	10.64	10.75
Tangible Net worth	6.24	5.42
EBIDTA Margin (%)	0.79	0.83
PAT Margin (%)	0.15	0.14
Overall Gearing Ratio (x)	1.78	2.09
Interest Coverage Ratio (x)	1.16	1.19

\*Classification as per Infomerics` standards

Status of non-cooperation with previous CRA - None

Any other information: Not Applicable

### Rating History for last three years:

Sr. No.	Name of Instrument/ Facilities	Current Ratings (Year 2022-23)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating (Year 2023-24)	Date(s) & Rating(s) assigned in 2022-23 (April 08, 2022)	Date(s) & Rating(s) assigned in 2021-22	Date(s) & Rating(s) assigned in 2020-21
1.	Long Term Bank Facilities	Long Term	16.83	IVR D; Issuer Not Cooperating (IVR D; Issuer Not Cooperating)	IVR D	--	--



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2.	Long Term/Short Term Bank Facilities	Long term/S hort term	0.17	IVR D; Issuer Not Cooperating (IVR D; Issuer Not Cooperating)	IVR D	--	--
	<b>Total</b>		<b>17.00</b>				

*\* Issuer did not cooperate (INC); based on best available information.*





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### About Infomerics:

Infomerics was founded in the year 1986 by a team of highly experienced and knowledgeable finance professionals. Subsequently, after obtaining Securities Exchange Board of India registration and RBI accreditation and the activities of the company are extended to External Credit Assessment Institution (ECAI).

Adhering to best International Practices and maintaining high degree of ethics, the team of knowledgeable analytical professionals deliver credible evaluation of rating.

Infomerics evaluates wide range of debt instruments which helps corporates open horizons to raise capital and provides investors enlightened investment opportunities. The transparent, robust and credible rating has gained the confidence of Investors and Banks.

Infomerics has a pan India presence with Head Office in Delhi, branches in major cities and representatives in several locations.

For more information visit [www.infomerics.com](http://www.infomerics.com).

**Disclaimer:** Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors



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### Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
IND GECLS- Covid19	--	--	FY25	1.00	IVR D; ISSUER NOT COOPERATING
IND -GECLS 1.0 (Extension)	--	--	FY27	1.14	IVR D; ISSUER NOT COOPERATING
Term Loan	--	--	FY27	2.19	IVR D; ISSUER NOT COOPERATING
Cash Credit	--	--	--	7.50	IVR D; ISSUER NOT COOPERATING
Loan against Property	--	--	FY33	5.00	IVR D; ISSUER NOT COOPERATING
Unallocated Limits	--	--	--	0.17	IVR D; ISSUER NOT COOPERATING

*\* Issuer did not cooperate; based on best available information.*

**Annexure 2: List of companies considered for consolidated analysis:** Not Applicable

**Annexure 3: Facility wise lender details:**

<https://www.infomerics.com/admin/prfiles/Len-KALINGA-jun23.pdf>

**Annexure 4: Detailed explanation of covenants of the rated instrument/facilities:** Not Applicable



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**Note on complexity levels of the rated instrument:** Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at [www.infomerics.com](http://www.infomerics.com).

