

Madhur Knit Crafts Private Limited

December 03, 2021

Rating

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	19.95	CARE B; ISSUER NOT COOPERATING* (Single B ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Long Term / Short Term Bank Facilities	3.00	CARE B / CARE A4; ISSUER NOT COOPERATING* (Single B / A Four ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	0.50	CARE A4; ISSUER NOT COOPERATING* (A Four ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	23.45 (Rs. Twenty-Three Crore and Forty-Five Lakhs Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated December 24, 2020, placed the rating(s) of Madhur Knit Crafts Private Limited (MKC) under the 'issuer non-cooperating' category as MKC had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. MKC continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated November 09, 2021, November 19, 2021 and November 29, 2021.

In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE's opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

Detailed description of the key rating drivers

Please refer to PR dated [December 24, 2020](#).

Analytical approach: Standalone

Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

About the Company

Incorporated in the year 1997 at Ludhiana (Punjab), Madhur Knit Crafts Private Limited (MKC) is involved in manufacturing of blankets. MKC started its manufacturing operations from March 2, 2013 onwards with an installed capacity of 9 lakh unit per annum. MKC's product range includes floral mink blankets, polyester mink blankets, mink blankets, acrylic blankets, printed blankets, woollen blankets and designer blankets. MKC sells its product in various states of India through its network of nearly 150 dealers.

¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications

Brief financials of MKC are tabulated below:

Brief Financials (Rs. crore)	FY19 (A)	FY20 (A)
Total operating income	91.84	87.02
PBILDT	5.46	5.67
PAT	0.88	0.42
Overall gearing (times)	1.87	1.75
Interest coverage (times)	1.73	1.50

A: Audited

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Disclosure of Interest of Independent/Non-Executive Directors, Managing Director & CEO: Not Applicable

Rating History for last three years: Please refer Annexure-2

Complexity level of various instruments rated for this company: Annexure 3

Annexure-1: Details of Instruments / Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan		-	-	December 2022	12.95	CARE B; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit		-	-	-	7.00	CARE B; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantees		-	-	-	0.50	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - LT/ ST-Letter of credit		-	-	-	3.00	CARE B / CARE A4; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1	Fund-based - LT-Term Loan	LT	12.95	CARE B; ISSUER NOT COOPERATING*	-	1)CARE B; ISSUER NOT COOPERATING* (24-Dec-20)	1)CARE B+; ISSUER NOT COOPERATING* (01-Oct-19)	1)CARE BB-; ISSUER NOT COOPERATING* (05-Jul-18)
2	Fund-based - LT-Cash Credit	LT	7.00	CARE B; ISSUER NOT COOPERATING*	-	1)CARE B; ISSUER NOT COOPERATING* (24-Dec-20)	1)CARE B+; ISSUER NOT COOPERATING* (01-Oct-19)	1)CARE BB-; ISSUER NOT COOPERATING* (05-Jul-18)
3	Non-fund-based - ST-Bank Guarantees	ST	0.50	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (24-Dec-20)	1)CARE A4; ISSUER NOT COOPERATING* (01-Oct-19)	1)CARE A4; ISSUER NOT COOPERATING* (05-Jul-18)
4	Non-fund-based - LT/ ST-Letter of credit	LT/ST*	3.00	CARE B / CARE A4; ISSUER NOT COOPERATING*	-	1)CARE B / CARE A4; ISSUER NOT COOPERATING* (24-Dec-20)	1)CARE B+ / CARE A4; ISSUER NOT COOPERATING* (01-Oct-19)	1)CARE BB- / CARE A4; ISSUER NOT COOPERATING* (05-Jul-18)

*Issuer did not cooperate; Based on best available information

Annexure-3: Detailed explanation of covenants of the rated instrument / facilities: Not Applicable

Annexure 4: Complexity level of various instruments rated for this company

Sr. No	Name of instrument	Complexity level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - LT/ ST-Letter of credit	Simple
4	Non-fund-based - ST-Bank Guarantees	Simple

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

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