

Alok Industries Limited

January 29, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	-	-	Withdrawn

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

CARE Ratings Limited (CARE Ratings) has withdrawn the outstanding rating of 'CARE AA; Stable' assigned to the bank facilities of Alok Industries Limited (AIL) with immediate effect as the company has fully repaid the rated bank facilities and there is no amount outstanding under the said facility as on date. The above action has been taken at the request of AIL and 'No Due Certificate' received from the banks that has extended the facilities rated by CARE Ratings.

Analytical approach: Not applicable

Applicable criteria

[Policy on Withdrawal of Ratings](#)

About the company and industry

Industry classification

Macro Economic Indicator	Sector	Industry	Basic Industry
Consumer Discretionary	Textiles	Textiles & Apparels	Other Textile Products

AIL, formerly promoted by the Jiwrajka family, is one of the largest fully integrated textile players having a presence across the value chain – right from cotton spinning, polyester yarn, apparel fabrics, home textiles, and garments. The company has more than 10 manufacturing plants located over Dadra and Nagar Haveli (Silvassa), Gujarat, and Maharashtra. Pursuant to the order dated March 08, 2019, the National Company Law Tribunal (NCLT) approved the resolution plan, which was submitted jointly by JM Financial Asset Reconstruction Company Limited (JMFARC), JMFARC-Trust, and RIL. Post-implementation of the approved Resolution Plan, RIL holds a 40.01% equity stake whereas JMFARC (acting in its capacity as trustee of JMFARC-Trust) holds a 34.99% equity stake in AIL and the balance equity stake is held by the public.

Brief Financials (₹ crore)	FY22 (A)	FY23 (A)	9MFY24 (UA)
Total operating income	7,177	6,776	3,919
PBILDT	598	-41	64
PAT	-184	-875	-607
Overall gearing (times)	4.56	15.84	NA
Interest coverage (times)	1.29	-ve	0.15

A: Audited UA: Unaudited; NA: Not available Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

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

Covenants of rated instrument / facility: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	-	0.00	Withdrawn
Fund-based - LT-Term Loan	-	-	-	* January 2024	0.00	Withdrawn

* Fully prepaid.

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
1	Fund-based - LT-Term Loan	LT	-	Withdrawn	-	1)CARE AA; Stable (05-Jan-23)	1)CARE AA (CE); Stable (02-Feb-22)	1)CARE AA (CE); Stable (06-Jan-21)
2	Fund-based - LT-Cash Credit	LT	-	Withdrawn	-	1)CARE AA; Stable (05-Jan-23)	1)CARE AA (CE); Stable (02-Feb-22)	1)CARE AA (CE); Stable (06-Jan-21)
3	Un Supported Rating-Un Supported Rating (Long Term)	LT	-	-	-	1)Withdrawn (05-Jan-23)	1)CARE A+ (02-Feb-22)	1)CARE A+ (06-Jan-21)

*Long term/Short term.

Annexure-3: Detailed explanation of covenants of the rated instruments/facilities: Not applicable

Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on the complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

Contact us

<p>Media Contact</p> <p>Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in</p> <p>Relationship Contact</p> <p>Saikat Roy Senior Director CARE Ratings Limited Phone: 91 22 6754 3404 E-mail: saikat.roy@careedge.in</p>	<p>Analytical Contacts</p> <p>Name: Ranjan Sharma Senior Director CARE Ratings Limited Phone: +91-22-6754 3453 E-mail: ranjan.sharma@careedge.in</p> <p>Hardik Manharbhai Shah Director CARE Ratings Limited Phone: +91-22-6754 3591 E-mail: hardik.shah@careedge.in</p> <p>Krunal Pankajkumar Modi Associate Director CARE Ratings Limited Phone: 079-40265614 E-mail: krunal.modi@careedge.in</p>
---	--

About us:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

Disclaimer:

The ratings issued by CARE Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings has based its ratings/outlook based on information obtained from reliable and credible sources. CARE Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating/outlook assigned by CARE Ratings is, inter-alia, based on the capital deployed by the partners/proprietors and the current financial strength of the firm. The ratings/outlook may change in case of withdrawal of capital, or the unsecured loans brought in by the partners/proprietors in addition to the financial performance and other relevant factors. CARE Ratings is not responsible for any errors and states that it has no financial liability whatsoever to the users of the ratings of CARE Ratings. The ratings of CARE Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades.

**For the detailed Rationale Report and subscription information,
please visit www.careedge.in**