

Arora Knit Fab Private Limited

May 03, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	57.89	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

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

Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated February 09, 2023, placed the rating(s) of Arora Knit Fab Private Limited (AKFPL) under the 'issuer non-cooperating' category as AKFPL 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. AKFPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated April 29, 2024, April 30, 2024, May 01, 2024.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'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).

Analytical approach: Standalone.

CARE had taken combined approach for Arora Industries and Arora Knit Fab Private Limited till FY21 as both these entities have common management and financial linkages. However, updated information is not available to determine that management and financials linkages continue to exist. Thus, analytical approach has been changed to standalone.

Outlook: Not Applicable

Detailed description of the key rating drivers:

Please refer to PR dated [February 09, 2023](#)

Applicable criteria

[CARE Rating's criteria on information adequacy risk and issuer non-cooperation](#)

[Policy on Default Recognition](#)

[CARE Ratings' criteria on consolidation & combined approach](#)

About the company

AKFPL, incorporated in the year 2000, under companies Act 1956 and the flagship entity of the Arora Group. The company is engaged in manufacturing and exports of Knitted Fabrics, Home Textiles, Garments, Mink Blankets and the substitutes. The company is managed by Shri Mohinder Singh Arora (Chairman, founder CEO) and Shri Ravinder Pal Singh elder brother of Mohinder Singh Arora.

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

Brief Financials (Rs. crore)	March 31, 2022 (A)	March 31, 2023 (A)
Total operating income	146.15	108.54
PBILDT	7.14	3.97
PAT	-0.15	-5.29
Overall gearing (times)	1.66	1.98
Interest coverage (times)	1.22	0.50

A-Audited, 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 the covenants of the rated instruments/facilities is given in Annexure-3

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

Lender details: Please refer Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	46.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	March, 2025	11.89	CARE D; ISSUER NOT COOPERATING*

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

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 2024-2025	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
1	Fund-based - LT-Term Loan	LT	11.89	CARE D; ISSUER NOT COOPERATING*	-	-	1)CARE D; ISSUER NOT COOPERATING* (09-Feb-23) 2)CARE D (21-Nov-22)	1)CARE BB-; Stable (25-Feb-22)
2	Fund-based - LT-Cash Credit	LT	46.00	CARE D; ISSUER NOT COOPERATING*	-	-	1)CARE D; ISSUER NOT COOPERATING* (09-Feb-23) 2)CARE D (21-Nov-22)	1)CARE BB-; Stable (25-Feb-22)

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

LT: Long 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

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About us:

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Disclaimer:

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