

Carona Knitwear

June 06, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	1.45	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	22.50	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 April 21, 2023, placed the rating(s) of Carona Knitwear (CK) under the 'issuer non-cooperating' category as CK 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. CK continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated March 06, 2024, March 16, 2024, March 26, 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

Outlook: Not Applicable

Detailed description of the key rating drivers:

Please refer to PR dated [April 21, 2023](#)

Applicable criteria

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

About the Firm

Tamil Nadu based, Carona Knitwear (CK) was established in the year 2006 as partnership firm promoted by Mr. Swami Nathan, Mrs. S. Shanthamani and Mr. Kathiresw Swaminathan. The firm is engaged in manufacturing, processing, importing, exporting, buying, selling and dealing all kinds of fabric textiles and hosiery goods and readymade garments.

Brief Financials (Rs. crore)	March 31, 2017 (A)	March 31, 2018 (A)
Total operating income	84.96	50.98
PBILDT	6.41	4.67
PAT	0.41	0.87
Overall gearing (times)	2.46	2.12
Interest coverage (times)	1.36	1.38

A: Audited; Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: ICRA has continued the ratings assigned to the bank facilities of CK to the 'issuer not-cooperating' category vide press release dated August 16, 2023 on account of its inability to carryout review in the absence of requisite information from the firm.

Brickworks has continued the ratings assigned to the bank facilities of CK to the 'issuer not-cooperating' category vide press release dated September 01, 2023 on account of its inability to carryout review in the absence of requisite information from the firm.

Any other information: Not Applicable

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

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

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

Complexity level of various instruments rated: Annexure-4

Lender details: 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-Term Loan		-	-	September 2020	1.45	CARE D; ISSUER NOT COOPERATING*
Fund-based - ST-Packing Credit in Foreign Currency		-	-	-	22.50	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	1.45	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (21-Apr-23)	-	1)CARE D; ISSUER NOT COOPERATING* (21-Feb-22)
2	Fund-based - ST-Packing Credit in Foreign Currency	ST	22.50	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (21-Apr-23)	-	1)CARE D; ISSUER NOT COOPERATING* (21-Feb-22)

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

LT: Long term; ST: 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-Term Loan	Simple
2	Fund-based - ST-Packing Credit in Foreign Currency	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.

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About us:

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Disclaimer:

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