

R. N. Knitfab Private Limited

July 11, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	10.00	CARE B+; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB-; Stable

Details of instruments/facilities in Annexure-1

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

Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated May 23, 2023, placed the rating(s) of R. N. Knitfab Private Limited (RKPL) under the 'issuer non-cooperating' category as RKPL 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. RKPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated April 07, 2024, April 17, 2024, April 27, 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).

The ratings have been revised on account of non-availability of requisite information. Further it also considers decline in scale of operations coupled with net loss reported in FY23 compared to FY22.

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers:

Please refer to PR dated [May 23, 2023](#)

Applicable criteria

[Definition of Default](#)

[Policy in respect of non-cooperation by issuers](#)

[Rating Outlook and Rating Watch](#)

About the company

RKPL was incorporated by Mr. Madan Lal Jain and Mr. Mohan Lal Jain in 2002. The company is currently being managed by their sons, Mr. Naveen Jain, Mr. Sanjeev Jain, Mr. Munish Jain, Mr. Satish Jain. RKPL is engaged in the manufacturing of various types of polyester yarn since the commencement of its commercial operations in 2004 and of knitted cloth since the installation of its knitting unit in 2010. The company operates from two manufacturing units in Kathua, Jammu & Kashmir and one trading unit in Ludhiana, Punjab. The product profile of the company includes polyester texturized yarn, fully drawn yarn and knitted cloth. The company also engages in trading of yarn, cloth etc.

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	96.26	77.16
PBILDT	2.32	2.40
PAT	0.47	-0.06
Overall gearing (times)	0.44	0.48
Interest coverage (times)	3.03	2.84

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

Status of non-cooperation with previous CRA: CRISIL has continued the rating assigned to the bank facilities of RKPL into Issuer Not Cooperating category vide press release dated August 09, 2023 on account of its inability to carry out a review in the absence of requisite information.

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

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		-	-	-	10.00	CARE B+; Stable; 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-Cash Credit	LT	10.00	CARE B+; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (23-May-23)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (25-May-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

Annexure-5: Lender details

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

Note on complexity levels of the rated instrument: 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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