

## Raghav Industries Limited

July 04, 2024

| Facilities/Instruments    | Amount (₹ crore) | Rating <sup>1</sup>             | Rating Action  |
|---------------------------|------------------|---------------------------------|--|
| Long Term Bank Facilities | 20.00            | 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 13, 2023, placed the rating(s) of Raghav Industries Limited (RIL) under the 'issuer non-cooperating' category as RIL 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. RIL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated February 27, 2024, March 08, 2024, March 18, 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 13, 2023](#)

### Applicable criteria

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

[Policy on default recognition](#)

### About the company

Tamil Nadu based Raghav Industries Limited (RIL) was incorporated in November 1987 by Mr. Rajendra Kumar Kanodia (Director). RIL is currently being managed by him and his family members who are also directors of the company. The company is engaged in the manufacture of textile yarn in polyester, viscose, cotton, and various blends, and trading in polyester staple fibre (PSF) and viscose staple fibre with branches located in Mumbai, Surat and Ludhiana and supplies the yarn to local weavers throughout the country.

| Brief Financials (₹ crore) | March 31, 2020 (A) | March 31, 2021 (A) |
|----------------------------|--------------------|--------------------|
| Total operating income     | 37.37              | 22.86              |
| PBILDT                     | 4.16               | 1.22               |
| PAT                        | -1.07              | -4.29              |
| Overall gearing (times)    | 3.38               | 5.93               |
| Interest coverage (times)  | 0.92               | 0.24               |

A: Audited UA: Unaudited; Note: 'the above results are latest financial results available'; \*FY20 financials have been revised in line with CARE's revised criteria on classification of non-core items as part of non-operating income

**Status of non-cooperation with previous CRA:** CRISIL has continued the rating assigned to the bank facilities of RIL into Issuer Not Cooperating category vide press release dated June 20, 2023 on account of its inability to carry out a review in the absence of the requisite information from the company.

**Any other information:** Not Applicable

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

**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 |      | -                             | -               | -                          | 20.00                       | CARE D;<br>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              | 20.00                        | CARE D;<br>ISSUER NOT COOPERATING* | -   | 1)CARE D;<br>ISSUER NOT COOPERATING*<br>(13-Apr-23) | -   | 1)CARE D;<br>ISSUER NOT COOPERATING*<br>(04-Feb-22) |

\*Issuer did not cooperate; Based on best available information

LT: Long term

**Annexure-3: Detailed explanation of the 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](mailto:care@careedge.in) for any clarifications.

## Contact us

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**About us:**

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