

## Knitcraft Apparels International Private Limited (Revised)

March 24, 2022

### Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term / Short Term Bank Facilities	35.00	CARE D / CARE D; ISSUER NOT COOPERATING* (Single D / Single D ISSUER NOT COOPERATING*)	Rating moved to ISSUER NOT COOPERATING category
<b>Total Bank Facilities</b>	<b>35.00 (Rs. Thirty-Five Crore Only)</b>		

Details of instruments/facilities in Annexure-1

### Detailed Rationale & Key Rating Drivers

CARE has been seeking information from Knitcraft Apparels International Private Limited to monitor the rating vide e-mail communications dated November 1, 2021, January 14, 2022, February 26, 2022, March 02, 2022, March 15, 2022, and numerous phone calls etc., However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CARE has reviewed the rating based on the best available information which however, in CARE's opinion is not sufficient to arrive at a fair rating. The rating on Knitcraft Apparels International Private Limited now be denoted as CARE D; ISSUER NOT COOPERATING\*.

**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 rating considers non-availability of requisite information and due diligence conducted with banker due to non-cooperation by Knitcraft Apparels International Private Limited with CARE'S efforts to undertake a review of the rating outstanding. CARE views information availability risk as a key factor in its assessment of credit risk.

### Rating Sensitivities

#### Positive Factors

- Repayment of debts on timely basis.

### Detailed description of the key rating drivers

Please refer PR dated January 18, 2022 [Click here](#)

**Analytical approach:** Standalone

### Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Financial Ratios – Non financial Sector](#)

[Liquidity Analysis of Non-financial sector entities](#)□

[Rating Outlook and Credit Watch](#)

[Short Term Instruments](#)

[Manufacturing Companies](#)

### About the Company

Delhi based Knitcraft Apparels International Private Limited (KA IPL) has succeeded an erstwhile partnership firm Knitcraft Apparels International established in 1999 and converted into private limited company in the year 2007. The company is currently being managed Mr. Sanjay Khurana, Mr. Sandeep Khurana and Mr. Sanchit Khurana. KA IPL is predominantly an export-oriented unit. The company is engaged in manufacturing of readymade garments which includes knitting, dyeing, finishing, printing, embroidery, stitching etc. of Shirts, Fleece, and Jacquard etc. The company also manufactures 100% micro polyester & polyester spandex products used in golf & other active wears. KAI majorly exports its product directly to various retail chains & stores located in USA, Canada, U.K and Europe. These include reputed customer base like G-III Apparel Canada LLC, Tommy Hilfiger, Van Heusen, Calvin Klein, Ralph Lauren Corp (Polo) (USA), Superdry Plc (UK), DKNY(USA), Esprit (Europe), Debenhams Retail PLC, Flag & Anthem etc.

(Rs in crores)

<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

Brief Financials (Rs. crore)	31-03-2019 (A)	31-03-2020 (A)	31-03-2021 (P)	31-12-2021 (P)
Total operating income	123.53	101.82	60.40	NA
PBILDT	10.52	10.09	8.91	NA
PAT	1.65	0.57	0.74	NA
Overall gearing (times)	1.37	1.24	1.38	NA
Interest coverage (times)	2.04	1.60	1.72	NA

A: Audited; P: Provisional; NA: Not Applicable

**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 for this company:** Annexure 4

#### Annexure-1: Details of Instruments / Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT/ ST-Packing Credit in Indian rupee		-	-	-	25.00	CARE D / CARE D; ISSUER NOT COOPERATING*
Fund-based - LT/ ST-Bill Discounting/ Bills Purchasing		-	-	-	10.00	CARE D / CARE D; ISSUER NOT COOPERATING*

#### Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1	Fund-based - LT/ ST-Packing Credit in Indian rupee	LT/ST *	25.00	CARE D/ CARE D; ISSUER NOT COOPERATING *	1)CARE D / CARE D (18-Jan-22) 2)CARE B; Stable / CARE A4 (06-Apr-21)	-	1)CARE BB; Stable / CARE A4 (24-Mar-20) 2)CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING * (29-Jan-20)	1)CARE BB+; Stable / CARE A4+ (12-Dec-18)
2	Fund-based - LT/ ST-Bill Discounting/ Bills Purchasing	LT/ST *	10.00	CARE D/ CARE D; ISSUER NOT COOPERATING *	1)CARE D / CARE D (18-Jan-22) 2)CARE B; Stable / CARE A4 (06-Apr-21)	-	1)CARE BB; Stable / CARE A4 (24-Mar-20) 2)CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING * (29-Jan-20)	1)CARE BB+; Stable / CARE A4+ (12-Dec-18)

\* Long Term / Short Term

**Annexure-3: Detailed explanation of covenants of the rated instrument / facilities:** Not Applicable

**Annexure 4: Complexity level of various instruments rated for this company**

Sr. No	Name of instrument	Complexity level
1	Fund-based - LT/ ST-Bill Discounting/ Bills Purchasing	Simple
2	Fund-based - LT/ ST-Packing Credit in Indian rupee	Simple

**Annexure 5: Bank Lender Details for this Company**

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

**Note on complexity levels of the rated instrument:** CARE Ratings Ltd. 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.

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**About CARE Ratings Limited:**

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With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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