

K R F Limited

January 28, 2022

Ratings

Facilities / Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	24.19	CARE B; Stable; ISSUER NOT COOPERATING* (Single B; Outlook: Stable ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB-; Stable; (Double B Minus; Outlook: Stable)
Short Term Bank Facilities	6.00	CARE A4; ISSUER NOT COOPERATING* (A Four ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Facilities	30.19 (Rs. Thirty Crore and Nineteen Lakhs Only)		

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated January 19, 2021, placed the rating(s) of K R F Limited (KRFL) under the 'issuer non-cooperating' category as KRFL 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. KRFL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated December 05, 2021, December 15, 2021, December 25, 2021.

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. The ratings also consider increasing in overall debt as well as accruing losses in FY20 over FY19.

Detailed description of the key rating drivers

Please refer to PR dated [January 19, 2021](#)

Analytical approach: Standalone

Applicable Criteria

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

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

About the Company

KRF was incorporated as a proprietorship firm in 1962 and later converted into public limited company in 1992. KRF is engaged in the manufacturing of various garment accessories such as woven labels, printed labels, paper tags, buttons, hangers, bar code stickers, etc. The company has a total of 9 manufacturing facilities in Delhi-NCR.

Brief Financials (Rs. crore)	FY20(A)	FY21(A)	9MFY22(Prov.)
Total operating income	40.60	NA	NA
PBILDT	-5.26	NA	NA
PAT	-11.88	NA	NA
Overall gearing (times)	2.06	NA	NA
Interest coverage (times)	NM	NA	NA

A – Audited, NM – Not Meaningful, NA – Not Available, Prov. - Provisional

¹Complete definitions of the ratings assigned are available at www.careedge.in and in other CARE publications

*Issuer did not cooperate; Based on best available information

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: Please refer Annexure 3

Complexity level of various instruments rated for this Company: Please refer 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-Cash Credit		-	-	-	23.50	CARE B; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-BG/LC		-	-	-	6.00	CARE A4; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	January 31, 2022	0.69	CARE B; Stable; ISSUER NOT COOPERATING*

*Issuer did not cooperate; based on best available information

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-Cash Credit	LT	23.50	CARE B; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (19-Jan-21)	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (23-Dec-19) 2)CARE BBB-; Stable (04-Apr-19)	-
2	Non-fund-based - ST-BG/LC	ST	6.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (19-Jan-21)	1)CARE A4+; ISSUER NOT COOPERATING* (23-Dec-19) 2)CARE A3 (04-Apr-19)	-
3	Fund-based - LT-Term Loan	LT	0.69	CARE B; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (19-Jan-21)	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (23-Dec-19) 2)CARE BBB-; Stable (04-Apr-19)	-

*Issuer did not cooperate; based on best available information

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-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - ST-BG/LC	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 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 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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