

RATING RATIONALE

04 Oct 2019

Arora Industries

Brickwork Ratings revises/ reaffirms and withdraws the ratings for the Bank Loan Facilities of ₹.40.14Crore of Arora Industries.

Particulars

Issue	Amount Rated (Rs.Cr)		Tenure	Previous Rating (July 2018)	Present Rating [^]
	Previous	Present			
Fund Based	36.69	36.69	Long Term	BWR B+ (Pronounced as BWR Single B Plus) Stable	Downgrade to BWR B (Pronounced as BWR Single B) Withdrawal
Non Fund Based	3.45	3.45	Short Term	BWR A4 (Pronounced as BWR Single A Four)	Reaffirmation BWR A4 (Pronounced as BWR Single A Four) Withdrawal
Total	40.14	40.14	INR.Forty Crores and Fourteen Lakhs Only		

[^]Please refer to BWR website www.brickworkratings.com/ for the definition of the ratings

**Complete details of Bank facilities.

RATING ACTION - WITHDRAWAL

The initial rating was done in August 2013 with the rating assigned BWR BB/A4 with a Stable Outlook. The rating was due for review in August 2014. The issue did not providing the required information for review and the rating of BWR D was moved to Rating Not Reviewed category in Feb 2017.

Despite the best efforts of BWR to get at least the minimum required information for a review, the company has not provided the same. The rating was moved to issuer non-cooperation and the rating was revised to BWR B+/A4 with a Stable Outlook.

A notice of withdrawal of the rating was sent to the issuer and the lender vide email dated May 21 2019 Neither the issuer nor the lender responded to our email.

Thus, based on the above, ratings of the company have been reviewed and withdrawn simultaneously in line with the Withdrawal Policy of BWR. The above rating action may not reflect the present position of the company's financial position.

COMPANY PROFILE

Arora Industries is a partnership firm and was established in 2007. The firm manufactures polyester fabrics, mink blankets and garments. Arora Industries is based in Ludhiana (Punjab) and is promoted by Mr. Mohinder Singh Arora. Mr. Arora and his son, Mr. Ravinder Pal Singh, together manage supervise the group's daily operations.

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY - NIL

RATING HISTORY

Facilities	Rating Assigned in 2019			Rating History		
	Amount (Rs. Crs)	Tenure	Rating Assigned	July 2018	Feb 2017	May 2016
Fund Based	36.69	Long Term	Downgrade to BWR B (Pronounced as BWR Single B) Withdrawal	BWR B+ (Pronounced as BWR Single B Plus)	Rating moved to Rating Not Reviewed	NA
Non Fund Based	3.45	Short Term	Reaffirmation of BWR A4 (Pronounced as BWR Single A Four) Withdrawal	BWR A4 (Pronounced as BWR Single A Four)		NA
Total	40.14	Rs. Forty Crores and Fourteen Lakhs Only				

COMPLEXITY LEVELS OF THE INSTRUMENTS

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [Short Term Debt](#)

Analytical Contacts	Investor and Media Relations
<p>Neha Jain Primary Analyst Phone:011-23412232 ,23413896 Extn: 114 neha.j@brickworkratings.com</p> <p>Ashwini Mital Director-Ratings Board: +91 172 5032295;+91 172 5032296 ashwinimital@brickworkratings.com</p>	<p>M : +91 7738875550 B : +91 22 6745 6666 investordesk@brickworkratings.com</p>

**Arora Industries
ANNEXURE I**

Details of Bank Facilities rated by BWR

Sl.No.	Name of the Bank	Type of Facilities	Long Term (₹ Cr)	Short Term (₹ Cr)	Total (₹ Cr)
1	Punjab National Bank	WCDL	30.00	-	30.00
2		Term Loan	6.69	-	6.69
3		ILC	-	3.00	3.00
4		EPG	-	0.45	0.45

Total Rs.Sixty Seven Crores and Seventy Two Lakh Only.

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