

April 05, 2021

Chinar Forge Limited: Ratings Withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Issuer Rating	-	-	[ICRA]B (Stable); Withdrawn
Total	-	-	

*Instrument details are provided in Annexure-1.

Rationale

ICRA has withdrawn the Issuer rating assigned to Chinar Forge Limited (CFL) at the request of the company. This is in accordance with ICRA's policy on withdrawal and suspension and as desired by the company. However, ICRA does not have requisite information to suggest any change in the credit risk since the time the rating was last reviewed. The Key Rating Drivers, Liquidity Position, Rating Sensitivities, Key financial indicators have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology ICRA policy in Withdrawal and Suspension of Credit Rating
Parent/Group Support	Not applicable
Consolidation/Standalone	The ratings are based on the standalone financials.

About the company

Chinar Forge Limited was incorporated in 1992. The company has traditionally been engaged in the manufacturing and sales of wide variety of interior designing products which includes carpets, tufted mats, rugs, wallpapers, upholstery, curtains etc. In addition to the interior set-up products, the company is also engaged in supplying bedroom furnishing products to leading brands and hotel chains.

In order to cater to the rising demand for PPE kit and protective masks due to the outbreak of Covid-19 pandemic, CFL initiated manufacturing of personal medical protective equipment from its existing facilities in May 2020. Its products include PPE kits, N-95 masks, designer protective masks, table-top sheets for clinics and bedsheets for ambulance and hospitals. CFL currently operates from its six manufacturing facilities, all located in Jalandhar, at an installed capacity for production of 15 lakh square meters of non-woven fabric per month, as in June 2020.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2022)			Chronology of Rating History for the past 3 years			
		Type	Amount Rated (Rs. crore)	Amount Outstanding as of Mar 17, 2021 (Rs. crore)	Date & Rating in	Date & Rating in FY2021	Date & Rating in FY2021	Date & Rating in FY2018
					Apr 5, 2021	Feb 25, 2021	Jul 17, 2020	-
1	Issuer Rating	Long-term	-	-	[ICRA]B (Stable); withdrawn	[ICRA]B (Stable); Put on notice of withdrawal	[ICRA]B (Stable)	-

Source: Company

Complexity level of the rated instrument

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Issuer Rating	-	-	-	-	[ICRA]B (Stable); withdrawn

Source: Company

Annexure-2: List of entities considered for consolidated analysis

Company Name	IOL Ownership	Consolidation Approach
NA	NA	NA

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