

Press Release

Carlton Overseas Private Limited

May 16, 2022



Rating Downgraded, Reaffirmed and Issuer not co-operating

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|------------------------------------|------------------|--|--|
| Bank Loan Ratings | 11.50 | ACUITE BB- Downgraded Issuer not co-operating* | - |
| Bank Loan Ratings | 15.50 | - | ACUITE A4+ Reaffirmed Issuer not co-operating* |
| Total Outstanding Quantum (Rs. Cr) | 27.00 | - | - |
| Total Withdrawn Quantum (Rs. Cr) | 0.00 | - | - |

Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE BB-**' (read as **ACUITE double B minus**) from '**ACUITE BB**' (read as **ACUITE double BB**) and reaffirmed the short-term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs. 27.00 crore bank facilities of Carlton Overseas Private Limited (COPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

About the Company

The Delhi-based, COPL was incorporated in 1993 by Mr. Baljit Virk as an exporter of leather footwear. The company is currently managed by Mr. Carljit Virk, Mr. Jay Jit Virk, Mr. Baljit Virk, Mr. Balroop Gill and Mr. Alex Panangat Kunjachan. In 1996- 97, the company started its own manufacturing unit at Khandsa Village in Gurgaon. In 2004, the company entered into the retail segment in India by opening up 14 retail outlets in Delhi, Gurgaon; Ludhiana, Amritsar, Mohali, Jalandhar in Punjab; Ambala in Haryana and Chandigarh. COPL is engaged in the manufacturing trading and export of leather footwear and trading of other leather accessories such as handbags among others. Currently, COPL has 2 manufacturing units- one in Gurgaon and one in Baddi with a manufacturing capacity of 3 lac pieces per annum and 1.5 lac pieces per annum respectively.

Non-cooperation by the issuer/borrower:

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date.

This rating continues to be flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité endeavored to gather information about the entity/industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

Material Covenants

None

Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

Outlook

Not Applicable

Status of non-cooperation with previous CRA

None

Any other information

None

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

| Date | Name of Instruments/Facilities | Term | Amount (Rs. Cr) | Rating/Outlook |
|------|--------------------------------|------------|-----------------|---|
| | Proposed Cash Credit | Long Term | 2.00 | ACUITE BB (Downgraded and Issuer not co-operating*) |
| | Bank Guarantee | Short Term | 6.25 | ACUITE A4+ (Issuer not co-operating*) |

| | | | | |
|-------------|-------------------------|------------|------|---|
| 09 Feb 2021 | Bank Guarantee | Short Term | 1.75 | ACUITE A4+ (Issuer not co-operating*) |
| | Packing Credit | Short Term | 7.50 | ACUITE A4+ (Issuer not co-operating*) |
| | Cash Credit | Long Term | 4.50 | ACUITE BB (Downgraded and Issuer not co-operating*) |
| | Proposed Bank Facility | Long Term | 5.00 | ACUITE BB (Downgraded and Issuer not co-operating*) |
| 27 Nov 2019 | Proposed Cash Credit | Long Term | 2.00 | ACUITE BB+ (Issuer not co-operating*) |
| | Proposed Bank Guarantee | Short Term | 1.75 | ACUITE A4+ (Issuer not co-operating*) |
| | Bank Guarantee | Short Term | 6.25 | ACUITE A4+ (Issuer not co-operating*) |
| | Cash Credit | Long Term | 4.50 | ACUITE BB+ (Issuer not co-operating*) |
| | Packing Credit | Short Term | 7.50 | ACUITE A4+ (Issuer not co-operating*) |
| | Proposed Bank Facility | Long Term | 5.00 | ACUITE BB+ (Issuer not co-operating*) |
| 11 Sep 2018 | Packing Credit | Short Term | 7.50 | ACUITE A3 (Assigned) |
| | Bank Guarantee | Short Term | 6.25 | ACUITE A3 (Assigned) |
| | Cash Credit | Long Term | 4.50 | ACUITE BBB- Stable (Assigned) |
| | Proposed Bank Guarantee | Short Term | 1.75 | ACUITE A3 (Assigned) |
| | Proposed Bank Facility | Long Term | 5.00 | ACUITE BBB- Stable (Assigned) |
| | Proposed Cash Credit | Long Term | 2.00 | ACUITE BBB- Stable (Assigned) |

Annexure - Details of instruments rated

| Lender's Name | ISIN | Facilities | Date Of Issuance | Coupon Rate | Maturity Date | Quantum (Rs. Cr.) | Rating |
|-----------------------|----------------|------------------------------------|------------------|----------------|----------------|-------------------|--|
| Central Bank of India | Not Applicable | Bank Guarantee/Letter of Guarantee | Not Applicable | Not Applicable | Not Applicable | 6.25 | ACUITE A4+ Reaffirmed Issuer not co-operating* |
| Central Bank of India | Not Applicable | Bank Guarantee/Letter of Guarantee | Not Applicable | Not Applicable | Not Applicable | 1.75 | ACUITE A4+ Reaffirmed Issuer not co-operating* |
| Central Bank of India | Not Applicable | Cash Credit | Not Applicable | Not Applicable | Not Applicable | 4.50 | ACUITE BB- Downgraded Issuer not co-operating* |
| Central Bank of India | Not Applicable | PC/PCFC | Not Applicable | Not Applicable | Not Applicable | 7.50 | ACUITE A4+ Reaffirmed Issuer not co-operating* |
| Not Applicable | Not Applicable | Proposed Cash Credit | Not Applicable | Not Applicable | Not Applicable | 2.00 | ACUITE BB- Downgraded Issuer not co-operating* |
| Not Applicable | Not Applicable | Proposed Long Term Bank Facility | Not Applicable | Not Applicable | Not Applicable | 5.00 | ACUITE BB- Downgraded Issuer not co-operating* |

Contacts

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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