

XL Enterprises Limited

April 22, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Short Term Bank Facilities	8.80	CARE A4; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1

*Issuer did not cooperate; based on best available information.

Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated February 15, 2023, placed the rating(s) of XL Enterprises Limited (XEL) under the 'issuer non-cooperating' category as XEL 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. XEL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated January 01, 2024, January 11, 2024, January 21, 2024.

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).

Analytical approach: Standalone

Outlook: Not Applicable

Detailed description of the key rating drivers:

Please refer to PR dated [February 15, 2023](#)

Applicable criteria

[CARE Ratings' criteria on information adequacy risk and issuer non-cooperation](#)

[Policy on default recognition](#)

About the company

Incorporated on June 1991, Kolkata based XL Enterprises Limited (XEL) is promoted by Mr. Sajal Dutta, Mrs. Kakoli Dutta and Mr. Subhash Mahapatro. Since inception, XEL is engaged in the manufacturing of leather products such as bags, wallet, cigar cases and other leather accessories which are majorly exported primarily to European countries viz. Germany, Greece, Austria and Hong Kong and occasionally to other countries of South East Asia, Middle East and Africa. XEL has an ISO 9001: certified manufacturing unit located at Kolkata, West Bengal and having an installed capacity of 18, 00,000 lakh pcs leather items per annum. The company also has certifications from ANSI-ASQ National Accreditation Board (ANAB), Business Social Compliance Initiative (BSCI) and Dun and Bradstreet. Mr. Sajal Dutta (aged about 63 years) is a qualified mechanical engineer and post graduate from IIM, Kolkata having almost three decades of experience in this similar line of business, looks after the day to day operations of the company. He is supported by other promoters Mrs. Kakoli Dutta and Mr. Subhash Mahapatro along with a team of experienced and qualified professionals who have an adequate experience in leather manufacturing industry.

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Brief Financials (Rs. crore)	March 31, 2022 (A)	March 31, 2023 (A)
Total operating income	14.59	15.37
PBILDT	-0.68	0.37
PAT	0.07	0.18
Overall gearing (times)	0.27	0.20
Interest coverage (times)	NM	0.78

A: Audited, NM: Not Meaningful; Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: India Ratings has continued the rating assigned to the bank facilities of XEL into Issuer Not Cooperating category vide press release dated July 24, 2023 on account of its inability to carry out a review in the absence of the requisite information from the company.

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: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - ST-EPC/PSC		-	-	-	8.00	CARE A4; ISSUER NOT COOPERATING*
Fund-based - ST-Forward Contract		-	-	-	0.80	CARE A4; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument / Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - ST-EPC/PSC	ST	8.00	CARE A4; ISSUER NOT COOPERATING*	-	-	1)CARE A4; ISSUER NOT COOPERATING* (15-Feb-23)	1)CARE A4; ISSUER NOT COOPERATING* (09-Dec-21)
2	Fund-based - ST-Forward Contract	ST	0.80	CARE A4; ISSUER NOT COOPERATING*	-	-	1)CARE A4; ISSUER NOT COOPERATING* (15-Feb-23)	1)CARE A4; ISSUER NOT COOPERATING* (09-Dec-21)

*Issuer did not cooperate; based on best available information.

ST: Short term

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

Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - ST-EPC/PSC	Simple
2	Fund-based - ST-Forward Contract	Simple

Annexure-5: Lender details

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

Note on the complexity levels of the rated instruments: CARE Ratings 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.

Contact us

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About us:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

Disclaimer:

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