

Pal Enterprises - Delhi

May 24, 2024

| Facilities/Instruments | Amount (₹ crore) | Rating ¹ | Rating Action |
|----------------------------|------------------|----------------------------------|--|
| Short Term Bank Facilities | 15.00 | 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 April 12, 2023, placed the rating(s) of Pal Enterprises - Delhi (PED) under the 'issuer non-cooperating' category as PED 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. PED continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated February 26, 2024, March 07, 2024, March 17, 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 [April 12, 2023](#)

Applicable criteria

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

[Policy on default recognition](#)

About the company

Pal Enterprises - Delhi (PED) was established in August, 1985 as a partnership firm and is currently being managed by Mr. Amreek Singh Kapoor, Mr. Gulbir Singh Chopra and Mr. Surjeet Singh Kapoor sharing profit and losses in the ratio of 37:37:26. The firm is engaged in to manufacturing and export of leather garments to European countries. It has its manufacturing unit located in Okhla (Delhi).

| Brief Financials (Rs. crore) | March 31, 2016 (A) | March 31, 2017 (A) |
|------------------------------|--------------------|--------------------|
| Total operating income | 32.53 | 22.51 |
| PBILDT | 2.46 | 1.59 |
| PAT | 0.75 | 0.06 |
| Overall gearing (times) | 3.37 | 3.43 |
| Interest coverage (times) | 1.70 | 1.12 |

A: Audited; Note: 'the above results are latest financial results available'

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

Status of non-cooperation with previous CRA: CRISIL has continued the rating assigned to the bank facilities of PED into Issuer Not Cooperating category vide press release dated March 08, 2024 on account of its inability to carry out a review in the absence of requisite information.

Acuite (SMERA) has continued the rating assigned to the bank facilities of PED into Issuer Not Cooperating category vide press release dated August 01, 2023 on account of its inability to carry out a review in the absence of requisite information.

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-Packing Credit in Foreign Currency | | - | - | - | 7.50 | CARE A4; ISSUER NOT COOPERATING* |
| Fund-based - ST-Working Capital Limits | | - | - | - | 2.50 | CARE A4; ISSUER NOT COOPERATING* |
| Non-fund-based - ST-ILC/FLC | | - | - | - | 5.00 | 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-Packing Credit in Foreign Currency | ST | 7.50 | CARE A4; ISSUER NOT COOPERATING* | - | 1)CARE A4; ISSUER NOT COOPERATING* (12-Apr-23) | - | 1)CARE A4; ISSUER NOT COOPERATING* (07-Feb-22) |
| 2 | Fund-based - ST-Working Capital Limits | ST | 2.50 | CARE A4; ISSUER NOT COOPERATING* | - | 1)CARE A4; ISSUER NOT COOPERATING* (12-Apr-23) | - | 1)CARE A4; ISSUER NOT COOPERATING* (07-Feb-22) |
| 3 | Non-fund-based - ST-ILC/FLC | ST | 5.00 | CARE A4; ISSUER NOT COOPERATING* | - | 1)CARE A4; ISSUER NOT COOPERATING* (12-Apr-23) | - | 1)CARE A4; ISSUER NOT COOPERATING* (07-Feb-22) |

*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-Packing Credit in Foreign Currency | Simple |
| 2 | Fund-based - ST-Working Capital Limits | Simple |
| 3 | Non-fund-based - ST-ILC/FLC | 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:

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Disclaimer:

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