

Celite Tyre Corporation

June 04, 2024

| Facilities/Instruments | Amount (₹ crore) | Rating ¹ | Rating Action |
|----------------------------|------------------|------------------------------------------|------------------------------------------------------------------|
| Long Term Bank Facilities | 15.90 | CARE B-; Stable; ISSUER NOT COOPERATING* | Rating continues to remain under ISSUER NOT COOPERATING category |
| Short Term Bank Facilities | 12.75 | 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 18, 2023, placed the rating(s) of Celite Tyre Corporation (CTC) under the 'issuer non-cooperating' category as CTC 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. CTC continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated March 03, 2024, March 13, 2024, March 23, 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: Stable

Detailed description of the key rating drivers:

Please refer to PR dated [April 18, 2023](#)

Applicable criteria

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

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

About the firm

Established in 1996, CTC is a Vadodara, Gujarat, based proprietorship firm established by Mr. Kamlesh Mehta. CTC is the authorized distributor for various tyres such as off the road (OTR) tyres, commercial vehicle tyres and passenger vehicle tyres. CTC operates from its warehousing facility located at Vadodara and has distribution network as well as stocking points spread across India. Mr. Kamlesh Mehta is also associated with another group entity 'Celite Tyre Private Limited', which trades in premium branded tyres.

| Brief Financials (Rs. crore) | March 31, 2021 (A) | March 31, 2022 (A) |
|------------------------------|--------------------|--------------------|
| Total operating income | 69.39 | 61.76 |
| PBILDT | 3.01 | 2.79 |
| PAT | 0.06 | 0.49 |
| Overall gearing (times) | 1.44 | 2.19 |
| Interest coverage (times) | 0.98 | 1.13 |

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: Not Applicable

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 - LT-Cash Credit | | - | - | - | 13.52 | CARE B-; Stable; ISSUER NOT COOPERATING* |
| Fund-based - LT-Term Loan | | - | - | September 2025 | 2.38 | CARE B-; Stable; ISSUER NOT COOPERATING* |
| Non-fund-based - ST-BG/LC | | - | - | - | 11.00 | CARE A4; ISSUER NOT COOPERATING* |
| Non-fund-based - ST-BG/LC | | - | - | - | 1.75 | 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 - LT-Cash Credit | LT | 13.52 | CARE B-; Stable; ISSUER NOT COOPERATING* | - | 1)CARE B-; Stable; ISSUER NOT COOPERATING* (18-Apr-23) | - | 1)CARE B-; Stable; ISSUER NOT COOPERATING* (08-Mar-22) |
| 2 | Non-fund-based - ST-BG/LC | ST | 11.00 | CARE A4; ISSUER NOT COOPERATING* | - | 1)CARE A4; ISSUER NOT COOPERATING* (18-Apr-23) | - | 1)CARE A4; ISSUER NOT COOPERATING* (08-Mar-22) |
| 3 | Non-fund-based - ST-BG/LC | ST | 1.75 | CARE A4; ISSUER NOT COOPERATING* | - | 1)CARE A4; ISSUER NOT COOPERATING* (18-Apr-23) | - | 1)CARE A4; ISSUER NOT COOPERATING* (08-Mar-22) |

| | | | | | | | | |
|---|---------------------------|----|------|------------------------------------------|---|--------------------------------------------------------|---|--------------------------------------------------------|
| 4 | Fund-based - LT-Term Loan | LT | 2.38 | CARE B-; Stable; ISSUER NOT COOPERATING* | - | 1)CARE B-; Stable; ISSUER NOT COOPERATING* (18-Apr-23) | - | 1)CARE B-; Stable; ISSUER NOT COOPERATING* (08-Mar-22) |
|---|---------------------------|----|------|------------------------------------------|---|--------------------------------------------------------|---|--------------------------------------------------------|

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

LT: Long term; 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 - LT-Cash Credit | Simple |
| 2 | Fund-based - LT-Term Loan | Simple |
| 3 | Non-fund-based - ST-BG/LC | 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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