

## Cossmo Tex

June 03, 2024

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	0.60	CARE B+; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB-; Stable;
Short Term Bank Facilities	3.75	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 Cossmo Tex (CT) under the 'issuer non-cooperating' category as CT 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. CT 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).**

The ratings assigned to the bank facilities of CT have been revised on account of non-availability of requisite information.

**Analytical approach:** Standalone

**Outlook:** Stable

### Detailed description of the key rating drivers:

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

### Applicable criteria

[CARE Rating's criteria on information adequacy risk and issuer non-cooperation](#)  
[Policy on Default Recognition](#)  
[Criteria on assigning outlook and credit watch](#)

### About the Firm

Cossmo Tex (CT) is a partnership firm established in 2001 by Mr. V. M. Navamani and Mrs. N. Amutha in Tirupur, Tamil Nadu. The firm is engaged in manufacturing of readymade garments for men, women and children. The firm derives maximum revenue by exporting readymade garments to European countries. CT purchases raw material (yarn) from its local suppliers located at Tirupur. CT has an installed capacity of 37 lakh pieces of garment per annum. The firm has around 170 machineries for various processes i.e. sewing machine, power table machine for lining and stitching, ironing machine, packing machine, etc.

Brief Financials (Rs. crore)	March 31, 2020 (A)	March 31, 2021 (A)
Total operating income	24.54	24.75
PBILDT	1.87	1.80
PAT	0.92	0.89
Overall gearing (times)	0.53	0.75
Interest coverage (times)	4.61	7.03

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

**Status of non-cooperation with previous CRA:** Not Applicable

**Any other information:** Not Applicable

**Rating History for last three years:** Please refer Annexure-2

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

**Covenants of the rated instruments/facilities:** Detailed explanation of the 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		-	-	-	0.25	CARE B+; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	September 2022	0.22	CARE B+; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	August 2024	0.13	CARE B+; Stable; ISSUER NOT COOPERATING*
Fund-based - ST-Packing Credit in Foreign Currency		-	-	-	3.75	CARE A4; ISSUER NOT COOPERATING*

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

**Annexure-2: Rating history for the last three years**

S r . N o .	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-Term Loan	LT	0.22	CARE B+; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (18-Apr-23)	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (09-Feb-22)
2	Fund-based - LT-Cash Credit	LT	0.25	CARE B+; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (18-Apr-23)	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (09-Feb-22)
3	Fund-based - ST-Packing Credit in Foreign Currency	ST	3.75	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (18-Apr-23)	-	1)CARE A4; ISSUER NOT COOPERATING* (09-Feb-22)
4	Fund-based - LT-Term Loan	LT	0.13	CARE B+; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (18-Apr-23)	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (09-Feb-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	Fund-based - ST-Packing Credit in Foreign Currency	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](mailto:care@careedge.in) for any clarifications.

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### About us:

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### Disclaimer:

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