

## Creative Chain Stores Private Limited

September 26, 2022

### Ratings

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Short Term Bank Facilities	45.00	<b>CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)</b>	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE A4; (A Four)
<b>Total Bank Facilities</b>	<b>45.00</b> <b>(₹ Forty-Five Crore Only)</b>		

Details of instruments/facilities in Annexure-1

### Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated July 14, 2021, placed the rating(s) of Creative Chain Stores Private Limited (CCSPL) under the 'issuer non-cooperating' category as CCSPL 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. CCSPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated May 30, 2022, June 09, 2022, June 19, 2022 and September 22, 2022.

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 bank facilities of CCSPL have been revised on the basis of non-availability of requisite information. The revision also considers the delays in debt servicing as recognized from publicly available information i.e. Auditor's comments in FY21 audit report available from ROC filings.

### Detailed description of the key rating drivers

Please refer to PR dated [July 14, 2021](#)

**Analytical approach:** Standalone

### Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

### About the Company

Incorporated in June 1987, Creative Chain Stores Private Limited (CCSPL) is engaged in the manufacturing and exports of readymade garments. Its product profile comprises of Ladies wear primarily woven fabrics. It exports mainly to US and Europe and sells the balance in the domestic market. CSPL has four manufacturing facilities (in Delhi and Faridabad).

Brief Financials (₹ crore)	FY20(A)	FY21(A)	FY22(Prov.)	Q1FY23(Prov.)
Total operating income	5.07	10.55	NA	NA
PBILDT	-4.56	-2.37	NA	NA
PAT	-10.20	-4.44	NA	NA
Overall gearing (times)	NM	NM	NA	NA
Interest coverage (times)	NM	NM	NA	NA

A-Audited, Prov.- Provisional, NA – Not Available, NM – Not Meaningful

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

**Any other information:** Not Available

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

**Covenants of rated instrument/facility:** Please refer Annexure-3

**Complexity level of various instruments rated for this company:** Please refer Annexure-4

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

\*Issuer did not cooperate; Based on best available information

**Annexure-1: Details of Instruments / Facilities**

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - ST-EPC/PSC	-	-	-	-	16.00	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee	-	-	-	-	1.00	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit	-	-	-	-	4.00	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Forward Contract	-	-	-	-	24.00	CARE D; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; Based on best available information

**Annexure-2: Rating History of 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 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - ST-EPC/PSC	ST	16.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (14-Jul-21)	1)CARE A4; ISSUER NOT COOPERATING* (22-May-20)	-
2	Non-fund-based - ST-Bank Guarantee	ST	1.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (14-Jul-21)	1)CARE A4; ISSUER NOT COOPERATING* (22-May-20)	-
3	Non-fund-based - ST-Letter of credit	ST	4.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (14-Jul-21)	1)CARE A4; ISSUER NOT COOPERATING* (22-May-20)	-
4	Non-fund-based - ST-Forward Contract	ST	24.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (14-Jul-21)	1)CARE A4; ISSUER NOT COOPERATING* (22-May-20)	-

\*Issuer did not cooperate; Based on best available information

**Annexure-3: Detailed explanation of covenants of the rated instrument / facilities:** Not Applicable**Annexure-4: Complexity level of various instruments rated for this company**

Sr. No.	Name of Instrument	Complexity Level
1	Fund-based - ST-EPC/PSC	Simple
2	Non-fund-based - ST-Bank Guarantee	Simple
3	Non-fund-based - ST-Forward Contract	Simple
4	Non-fund-based - ST-Letter of credit	Simple

**Annexure-5: Bank lender details for this company**

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

**Note on 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.

## Contact us

### Media Contact

Name – Mr. Mradul Mishra  
Contact no. - +91-22-6754 3596  
Email ID - [mradul.mishra@careedge.in](mailto:mradul.mishra@careedge.in)

### Analyst Contact

Name - Shachee Nakul Vyas  
Contact no.- +91-079-40256565  
Email ID - [shachee.tripathi@careedge.in](mailto:shachee.tripathi@careedge.in)

### Relationship Contact

Name -Saikat Roy  
Contact no. -+91- 022-67543404 /136  
Email ID: [saikat.roy@careedge.in](mailto:saikat.roy@careedge.in)

### About CARE Ratings Limited:

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With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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