

## Colour Cottex Private Limited

January 31, 2022

### Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	78.98	<b>CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)</b>	Rating continues to remain under ISSUER NOT COOPERATING category
<b>Total Bank Facilities</b>	<b>78.98 (Rs. Seventy-Eight Crore and Ninety-Eight Lakhs Only)</b>		

Details of instruments/facilities in Annexure-1

### Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated January 29, 2021, placed the rating(s) of Colour Cottex Private Limited (CCPL) under the 'issuer non-cooperating' category as CCPL 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. CCPL continues to be non-cooperative despite repeated requests for submission of information through email dated December 15, 2021, December 25, 2021, January 04, 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).**

### Detailed description of the key rating drivers

Please refer to PR dated [January 29, 2021](#)

**Analytical approach:** Standalone

### Applicable Criteria

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

[Policy on default recognition](#)

### About the Company

Incorporated in June 2012, Colour Cottex Private Limited (CCPL) is engaged in the manufacturing and trading of readymade garments (primarily T-shirts) and knitted cloth. The company is currently operating with Mr Rajesh Dhanda as the Managing Director. The manufacturing unit of the company is located in Ludhiana, Punjab having an installed capacity of 10,80,000 pieces for ready-made garments and 936 tons for knitted cloth as on March 30, 2016. The company also engages in trading of garments and cloth.

Brief financials of CCPL:

Brief Financials (Rs. crore)	FY20 (A)	FY21(A)	9MFY22 (Prov.)
Total operating income	14.09	NA	NA
PBILDT	-1.25	NA	NA
PAT	-1.73	NA	NA
Overall gearing (times)	4.33	NA	NA
Interest coverage (times)	NM	NA	NA

A: Audited, Prov.: Provisional, NM: Not meaningful, NA: Not 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

**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 definitions of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and in 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 (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	-	-	March-2017	0.98	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit	-	-	-	-	78.00	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 (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1	Fund-based - LT-Term Loan	LT	0.98	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (29-Jan-21)	1)CARE D; ISSUER NOT COOPERATING* (01-Nov-19)	1)CARE D; ISSUER NOT COOPERATING* (25-Jun-18)
2	Fund-based - LT-Cash Credit	LT	78.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (29-Jan-21)	1)CARE D; ISSUER NOT COOPERATING* (01-Nov-19)	1)CARE D; ISSUER NOT COOPERATING* (25-Jun-18)

\*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 - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	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 instrument:** CARE Ratings Ltd. has classified instruments rated by it on the basis of complexity. This classification is available at [www.careedge.in](http://www.careedge.in). 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

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

### Analyst Contact

Shachee Nakul Vyas  
Contact no. - 8511182592  
Email ID - [shachee.tripathi@careedge.in](mailto:shachee.tripathi@careedge.in)

### Relationship Contact

Swati Agrawal  
Contact no. - 9811745677  
Email ID - [swati.agrawal@careedge.in](mailto:swati.agrawal@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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**\*\*For detailed Rationale Report and subscription information, please contact us at [www.careedge.in](http://www.careedge.in)**