

February 27, 2026

Raj Overseas: Rating downgraded to [ICRA]A4+ and moved to Issuer Not Cooperating category; continues on Watch with Negative Implications

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Short-term Fund-based – Pre and Post Shipment Financing	100.00	100.00	[ICRA]A4+; ISSUER NOT COOPERATING [^] ; downgraded from [ICRA]A3+ and moved to Issuer Not Cooperating category [^] ; rating continues on Watch with Negative Implications
Short-term – Unallocated limits	2.00	2.00	[ICRA]A4+; ISSUER NOT COOPERATING [^] ; downgraded from [ICRA]A3+ and moved to Issuer Not Cooperating category; rating continues on Watch with Negative Implications
Total	102.00	102.00	

[^]Issuer did not cooperate; based on best available information

*Instrument details are provided in Annexure I

Rationale

The rating for the entity is based on a consolidated view of three entities – Raj Overseas, Raj Woollen Industries and Yati Overseas Private Limited (YOPL), together referred to as the Raj Group, as there are strong management, operational and financial linkages among the entities including cash flow fungibility through the promoters and all the entities are in the same line of business.

ICRA has downgraded the short-term rating of Raj Overseas (Raj) and moved the ratings to the Issuer Not Cooperating category. The rating is denoted as [ICRA]A4+; Issuer Not Cooperating continues on rating watch with negative implications. The rating has been moved to the Issuer Not Cooperating category because of lack of adequate information regarding the Raj Group's performance and hence the uncertainty around the entity's credit risk. ICRA assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its "Policy in respect of non-cooperation by a rated entity" available on www.icra.in. Lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity.

As part of its process and in accordance with its rating agreement with Raj Overseas, ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, a rating view has been taken on the entity based on the best available information.

The rating continues to be on Watch with Negative Implications, given the uncertainty regarding the impact of the tariffs imposed by the US Government on the Group's business prospects.

Please refer to the following link for the previous detailed rationale that captures the Key rating drivers and their description, Liquidity position, Rating sensitivities, Key financial indicators: [Click here](#). ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Policy in respect of non-cooperation by the rated entity
Parent/group Support	Not Applicable
Consolidation/standalone	While arriving at the ratings, ICRA has taken a consolidated view of the credit profiles of Raj Overseas, Raj Woollen Industries and Yati Overseas Private Limited (referred to as the Raj Group), as there are strong management, operational and financial linkages among the entities including cash flow fungibility through promoters. The details of consolidation have been mentioned in Annexure 2

About the company

Raj Overseas was established in 1939 by Late Rajeshwar Nath and Late Vishwa Nath to manufacture woollen yarn and woollen carpet. Later, their sons joined the business. At present, the operations are being looked after by the second and third generation family members. It started as a hand-tufted carpet manufacturing unit, which began exporting carpets and other woollen made-ups in 1995. Gradually, exports became the main revenue driver of the Group. The firm has multiple manufacturing units in Panipat, Haryana.

About the Group (Raj Overseas, Raj Woollen Industries and YOPL)

The promoters have five other Group concerns involved in spinning, weaving and printing activities. All the other Group entities, including Raj Woollen Industries, support the Raj Group in terms of job-work processing of tufted carpet and supplying of woollen and cotton yarn to Raj Overseas. YOPL mainly procures finished goods from Raj Overseas on arm's length basis for its export orders. The Raj Group primarily exports various kinds of woollen hand-tufted carpets, bathmats, durries, pillows, poufs and woven rugs. The customer base comprises various retail chains, home furnishing players and buying houses based in the US, Germany, Singapore, and other eastern European countries.

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for past three years

Instrument	Current rating (FY2026)					Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs crore)	27-Feb-26	FY2026		FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating	Date	Rating
Fund-based-Cash credit	Short Term	100.00	[ICRA]A4+ Issuer Not Cooperating; rating watch with Negative Implications	Sep 23, 2025	[ICRA]A3+ Rating Watch with Negative Implications	Mar 28, 2025	[ICRA]A3+	Dec 29, 2023	[ICRA]A2	Sep 22, 2022	[ICRA]A2+
Unallocated limits-Unallocated limits	Short Term	2.00	[ICRA]A4+ Issuer Not Cooperating; rating Watch with Negative Implications	Sep 23, 2025	[ICRA]A3+; Rating Watch with Negative Implications	Mar 28, 2025	[ICRA]A3+	Dec 29, 2023	[ICRA]A2	-	-
Fund-based-Term loan	Long Term			-	-	-	-	-	-	Sep 22, 2022	[ICRA]A-(Stable)*; withdrawn
Non-fund based- Others	Short Term			-	-	-	-	-	-	Sep 22, 2022	[ICRA]A2+

Complexity level of the rated instruments

Instrument	Complexity indicator
Short-term fund-based - Pre and Post Shipment Financing	Simple
Short-term - Unallocated limits	Not applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click here](#)

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance/ Sanction	Coupon rate	Maturity date	Amount rated (Rs. crore)	Current rating and outlook
NA	Short-term Fund-based – Pre and Post Shipment Financing	NA	NA	NA	100.00	[ICRA]A4+; Issuer Not Cooperating, rating Watch with Negative Implications
NA	Short-term – Unallocated limits	NA	NA	NA	2.00	[ICRA]A4+; Issuer Not Cooperating, rating Watch with Negative Implications

Source: Company

[Please Click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis

Entity Name	Ownership*	Consolidation Approach
Raj Overseas	100%	Full Consolidation
Yati Overseas Private Limited	100%	Full Consolidation
Raj Woollen Industries	100%	Full Consolidation

Source: Company*Held by same promoters in all the entities

ANALYST CONTACTS

Jitin Makkar

+91 124 4545 368

jitinm@icraindia.com

Srikumar Krishnamurthy

+91 44 4596 4318

ksrikumar@icraindia.com

Rohan Kanwar Gupta

+91 124 4545 808

rohan.kanwar@icraindia.com

Gaurav Singla

+91 124 4545 366

gaurav.singla@icraindia.com

RELATIONSHIP CONTACT

L Shivakumar

+91 22 6114 3406

shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani

Tel: +91 124 4545 860

communications@icraindia.com

HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

ABOUT ICRA LIMITED

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited



Registered Office

B-710, Statesman House 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45



Branches



© Copyright, 2026 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.