

May 13, 2019

Supreme Overseas Exports India Private Limited: Ratings withdrawn

Summary of rated instruments

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term – Fund Based (Cash Credit)	20.0	20.0	[ICRA]C+; Withdrawn
Short Term – fund Based	8.0	8.0	[ICRA]A4; Withdrawn
Short Term – Non- fund Based	25.0	25.0	[ICRA]A4; Withdrawn
Total	53.00	53.00	

*Instrument Details are provided in Annexure-1

Rating action

ICRA has withdrawn the long-term rating of [ICRA]C+ (pronounced ICRA C plus) and short-term rating of [ICRA]A4 outstanding on the Rs. 53.00 crore bank limits of Supreme Overseas Exports India Private Limited.

Rationale

The ratings have been withdrawn in accordance with ICRA's policy on withdrawal and suspension, at the request received from the company and based on no-objection certificate provided by its lenders.

Key rating drivers

Key Rating drivers has not been captured as the rated instrument(s) are being withdrawn.

Links to applicable criteria:

[ICRA Policy on Withdrawal and Suspension of Credit Rating](#)

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology
Parent/Group Support	Not applicable
Consolidation / Standalone	Not applicable

About the company:

Supreme Overseas Exports India Pvt. Ltd. (Supreme Overseas) is involved in manufacturing and exporting of finished leather and leather garments, mainly leather jackets. The company was incorporated in 1976 by Mr. M.S. Sudhindra the chairman of the group. It has four units, located in Bangalore with an installed capacity to produce 1.60 lac leather garments per annum. The company outsources leather processing to its sister concern - Sura Leathers Pvt. Ltd which operates tanneries in Ambur, Vellor District of Tamil Nadu. Supreme Overseas's products are exported to over 20 countries including Germany, France, Canada, USA, etc.

Key Financial Indicators (Audited)

	FY2016	FY2017
Operating Income (Rs. crore)	48.13	51.38
PAT (Rs. crore)	0.11	0.06
OPBDIT/ OI (%)	7.57%	3.46%
RoCE (%)	9.85%	9.15%
Total Debt/ TNW (times)	1.51	2.26
Total Debt/ OPBDIT (times)	6.76	20.83
Interest coverage (times)	1.01	0.48
NWC/ OI (%)	63.06%	77.77%

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years:

Current Rating (FY2020)					Chronology of Rating History for the past 3 years		
Instrument	Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs Crore)	Date & Rating May 2019	Date & Rating in FY2018 Feb 2018	Date & Rating in FY2017	Date & Rating in FY2016
1 Cash Credit	Long Term	20.00	-	[ICRA]C+ Withdrawn	[ICRA]C+	-	-
2 Standby line of Credit	Short Term	3.00	-	[ICRA]A4 Withdrawn	[ICRA]A4	-	-
3 Foreign Documentary Bill Purchase	Short Term	5.00	-	[ICRA]A4 Withdrawn	[ICRA]A4	-	-
4 Letter of Credit	Short Term	25.00	-	[ICRA]A4 Withdrawn	[ICRA]A4	-	-

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument Details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Cash Credit	-	NA	-	20.00	[ICRA]C+ Withdrawn
NA	Standby Line of Credit	-	NA	-	3.00	[ICRA]A4 Withdrawn
NA	Foreign Documentary Bill Purchase	-	NA	-	5.00	[ICRA]A4 Withdrawn
NA	Letter of Credit	-	NA	-	25.00	[ICRA]A4 Withdrawn

Source: Supreme Overseas Exports India Private Limited

ANALYST CONTACTS

K Ravichandran

+91 44 45964301
ravichandran@icraindia.com

R Srinivasan

+91 44 45964315
r.srinivasan@icraindia.com

Nikhil Mathew

+91 80 49225569
nikhil.mathew@icraindia.com

Harish Suresh

+91 80 49225555
harish.s@icraindia.com

RELATIONSHIP CONTACT

Jayanta Chatterjee

+91 80 4332 6401
jayantac@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

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ICRA Limited

Corporate Office

Building No. 8, 2nd Floor, Tower A; DLF Cyber City, Phase II; Gurgaon 122 002

Tel: +91 124 4545300

Email: info@icraindia.com

Website: www.icra.in

Registered Office

1105, Kailash Building, 11th Floor; 26 Kasturba Gandhi Marg; New Delhi 110001

Tel: +91 11 23357940-50

Branches

Mumbai + (91 22) 24331046/53/62/74/86/87

Chennai + (91 44) 2434 0043/9659/8080, 2433 0724/ 3293/3294,

Kolkata + (91 33) 2287 8839 /2287 6617/ 2283 1411/ 2280 0008,

Bangalore + (91 80) 2559 7401/4049

Ahmedabad+ (91 79) 2658 4924/5049/2008

Hyderabad + (91 40) 2373 5061/7251

Pune + (91 20) 2556 0194/ 6606 9999

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