ICRA

October 05, 2017

Cravatex Limited

Summary of rated instruments

Instrument*	Rated Amount	Rating Action
Term Loan	5.48	[ICRA]BB+&; withdrawn
Fund-based Limits (CC)	50.00	[ICRA]BB+&; withdrawn
Non-fund Based Limits (SBLC)	4.50	[ICRA]BB+&; withdrawn
Non-fund Based Limits (LC/LER/BC/Factoring)	52.00	[ICRA]A4+&; withdrawn

*Instrument details are provided in Annexure-1 & under rating watch with developing implications

Rating action

ICRA has withdrawn a long-term rating of [ICRA]BB+ (pronounced ICRA double B plus) and short-term rating of [ICRA]A4+ (pronounced ICRA A four plus) outstanding on the Rs. 111.98[1]-crore bank facilities of Cravatex Limited[2] (Cravatex) in accordance with ICRA's policy on withdrawal and suspension.

Rationale

The ratings assigned to the bank facilities of Cravatex Limited have been withdrawn at the request of the company and based on the no due certificates provided by the bankers.

Key rating drivers: Not applicable

Analytical approach: For arriving at the ratings, ICRA has applied its rating methodologies as indicated below.

Links to applicable criteria

[Corporate Credit Rating Methodology]

About the company

Incorporated in 1951, Cravatex is a part of the Mumbai-based Batra Group. The company was originally involved in operating one of the largest chains of dyers and dry cleaners in India (Band Box) but later diversified into garment export, textile processing and printing. These businesses, however, were divested subsequently. The company is now involved in global retail, distribution and sourcing with a presence across the Indian subcontinent, the UK, Europe, North Africa and the Middle East. The company was listed on the Bombay Stock Exchange in 1979. The company operates in two segments, namely distribution of fitness equipment and distribution of sports shoes and apparel. Cravatex is the exclusive sub-licensee for the distribution of the brand Fila for India, Pakistan, Sri Lanka and Bangladesh (Indian subcontinent), while its subsidiary BB (UK) Ltd. supplies to Fila license holders in the UK, Ireland, the Middle East and North Africa (MENA). Cravatex also holds the exclusive distribution rights for Taiwan-based Johnson Health, which is a reputed vendor for fitness equipment.

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

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[1] *100 lakh = 1 crore = 10 million*

[2] *For complete rating scale and definitions, please refer to ICRA's website www.icra.in or other ICRA Rating Publications*

Rating history for last three years

S. No.	Name of Instrument	Current Rating				Chronology of Rating History for the past 3 years		
		Type	Rated amount (Rs. crore)	Month - year & rating in FY2018		Month - year & Rating in FY2017	Month - year & Rating in FY2016	Month - year & Rating in FY2015
				October 2017	April 2017	April 2016	December 2015	October 2014
1	Fund Based (Cash Credit)	Long Term	50.00	[ICRA]BB+&; withdrawn	[ICRA]BB+&	[ICRA]BB+ (Stable)	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)
2	Fund Based (Term Loans)	Long Term	5.48	[ICRA]BB+&; withdrawn	[ICRA]BB+&	[ICRA]BB+ (Stable)	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)
3	Non-Fund Based (SBLC)	Long Term	4.50	[ICRA]BB+&; withdrawn	[ICRA]BB+&	[ICRA]BB+ (Stable)	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)
4	Non fund based limits (LC/LER/BC/Factoring)	Short Trm	52.00	[ICRA]A4+&; withdrawn	[ICRA]A4+&	[ICRA]A4+	[ICRA]A3	[ICRA]A3

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

Name of the instrument	Date of issuance	Coupon rate	Maturity Date	Size of the issue (Rs. crore)	Current Rating and Outlook
Fund Based (Cash Credit)	-	-	-	50.00	[ICRA]BB+&; withdrawn
Fund Based (Term Loans)	August 2012 to March 2014	-	September 2017 to September 2018	5.48	[ICRA]BB+&; withdrawn
Non-Fund Based (SBLC)	-	-	-	4.50	[ICRA]BB+&; withdrawn
Non fund based limits (LC/LER/BC/Factoring)	-	-	-	52.00	[ICRA]A4+&; withdrawn

Source: Cravatex

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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**

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