



Press Release

Curo India Private Limited

Dec 27, 2021

Ratings

Sl. No.	Facilities	Amount (Rs. Crore)	Ratings	Rating Action
1	Long Term/Short Term Bank Facilities	12.25	IVR B/A4, Issuer Not Cooperating* (IVR Double B/single A four under Issuer Not Cooperating)	Rating revised from IVR B+/ Stable/A4+ (IVR B Plus with Stable Outlook) and moved to Issuer Not Cooperating
	Total	12.25		

*Issuer did not cooperate; based on best available information

Detailed Rationale

The rating has been revised because of lack of adequate information regarding performance of Curo India Pvt. Ltd and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The lender, investors and other users of this rating are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the company, despite the rating revision.

Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data including FY2020 (Audited) & FY2021 (Provisional), results to monitor its assigned rating to the bank facilities, vide multiple E-mail communications (last dated Dec 20, 2021) and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details. Accordingly, the lenders, investors and other users of this rating are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the company.



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Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics must assign the rating based on the best available information. Accordingly, the long- term ratings for the bank loan facilities of Curo India Pvt. Ltd. aggregating to Rs. 12.25 crore shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as IVR B; Issuer Not Co-operating; Based on best available information.

Analytical Approach & Applicable Criteria

Standalone

Rating Methodology for Manufacturing Companies.

Financial Ratios & Interpretation (Non-financial Sector).

Guidelines on what constitutes Non-Cooperation by clients.

About the Company

The Curo Group was founded by Mr. Pawan Garg in the year 1987. Mr. Garg established Dynamic Motors in 1995 which rose to become the largest automobile dealer of General Motors (India) in North India with its foot-print in the states of Punjab, Haryana, Delhi and Jammu Kashmir. In 2003-04 company exited from automobile business.

Curo India Pvt. Ltd. (CIPL) is the flagship company of the Group and is engaged in Real Estate development, in particular, construction and management of malls and residential properties. CIPL has already completed and commissioned the Curo Square (Flamez Mall) in Ludhiana and Curo High Street Jalandhar and Curo Homes (Barnala).

Financials (Standalone):

For the year ended*/As on	(Rs. In Crore)	
	31-03-2019	31-03-2020
	Audited	Audited
Total Operating Income	35.20	36.16
EBITDA	14.96	16.67
PAT	0.51	0.65
Tangible Net worth	35.53	36.19
EBITDA Margin (%)	42.51	46.10
PAT Margin (%)	1.43	1.80
Overall Gearing Ratio (x)	2.30	2.10



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*Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: CARE, vide its press release dated Mar 29, 2018 had denoted the rating of Curo India Private Limited as 'CARE D; ISSUER NOT COOPERATING'

Any other information: Nil

Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Rating (Year 2021-22)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2020-21	Date(s) & Rating(s) assigned in 2019-20	Date(s) & Rating(s) assigned in 2018-19
1.	Fund Based Limit	Long Term/Short Term	12.25	IVR B/ A4,, Issuer not Cooperating/	IVR B+/Stable (Nov 06, 2020)	IVR BB-/Stable (Aug 08,2019)	-

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.

Name and Contact Details of the Rating Analyst:

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About Infomerics:

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities



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and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. It is gradually gaining prominence in domestic rating and/or grading space. Infomerics is striving for positioning itself as the most trusted & credible rating agency in the country and is gradually widening its product portfolio. Company's long experience in varied spectrum of financial services is helping it to fine tune its product offerings to best suit the market.

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs.in Crore)	Rating Assigned/ Outlook
Long Term/Short Term Bank Facilities – O/D	-	-	-	12.25	IVR B/ IVR A4 /Issuer not co-operating(IVR B & IVR Single A Four, ISSUER NOT COOPERATING)

Annexure 2: List of companies considered for consolidated analysis: Not Applicable.

Annexure 3: Facility wise lender details

<https://www.infomerics.com/admin/prfiles/Curo-India-lenders-dec21.pdf>

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable



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Annexure 5: Complexity level of the rated Instruments/Facilities

Sr No.	Facilities	Complexity Indicator
1.	Overdraft	Simple

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it based on complexity and a note thereon is available at www.infomerics.com.

