

## 4S Spintex India Private Limited

February 03, 2023

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	19.69	CARE B-; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1

*\*Issuer did not cooperate; based on best available information*

### Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated November 26, 2021, placed the rating(s) of 4S Spintex India Private Limited (4SSIPL) under the 'issuer non-cooperating' category as 4SSIPL 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. 4SSIPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated October 12, 2022, October 22, 2022, November 01, 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 [November 26, 2021](#)

**Analytical approach:** Standalone

### Applicable criteria

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

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

### About the Company

4S Spintex India Private Limited (4SSIPL) was incorporated in the year 2012 and promoted by Mr K Purushotham and relatives. The company has set up a spinning mill with an installed capacity of 8160 spindles of 32 counts. The company has successfully completed the project without any cost and time overrun and started its commercial operations from August 01, 2016. The company purchases the raw material (raw cotton) from local farmers and traders located at Guntur district. 4SSIPL sells the cotton yarn to the traders, dealers and merchant exporters located at various places like Tamil Nadu, Andhra Pradesh and Maharashtra. The manufacturing unit of the company is located at Bhimavaram, Krishna District, Andhra Pradesh.

Brief Financials (Rs. crore)	March 31, 2021 (A)	March 31, 2022 (A)	9MFY23 (Prov.)
Total operating income	45.94	50.00	NA
PBILD	3.38	4.17	NA
PAT	0.33	1.02	NA
Overall gearing (times)	4.47	4.23	NA
Interest coverage (times)	1.90	2.41	NA

A: Audited, Prov.: Provisional, NA: Not Available

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

**Status of non-cooperation with previous CRA:** India Ratings has continued the rating assigned to the bank facilities of 4SSIPL into Issuer Not Cooperating category vide press release dated July 28, 2022 on account of its inability to carry out a review in the absence of the requisite information from the company.

Infomeric has continued the rating assigned to the bank facilities of 4SSIPL into Issuer Not Cooperating category vide press release dated February 02, 2022 on account of its inability to carry out a review in the absence of the requisite information from the company.

**Any other information:** Not Applicable

**Rating History for last three years:** Please refer Annexure-2

**Covenants of rated instrument/facility:** Detailed explanation of the covenants of the rated instruments/facilities is given in Annexure-3

**Complexity level of various instruments rated for this company:** Annexure-4

**Lender details:** Annexure-5

#### Annexure-1: Details of Instruments/Facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	6.00	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	March 2026	13.69	CARE B-; Stable; 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 (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	13.69	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (26-Nov-21)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (17-Nov-20)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (23-Aug-19)
2	Fund-based - LT-Cash Credit	LT	6.00	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (26-Nov-21)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (17-Nov-20)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (23-Aug-19)

\*Issuer did not cooperate; Based on best available information

**Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities:** Not Applicable

#### Annexure-4: Complexity level of various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple

#### Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

**Note on complexity levels of the rated instrument:** CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for any clarifications.

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#### About us:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India (SEBI), it has also been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows 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 has played a pivotal role in developing bank debt and capital market instruments including commercial papers, corporate bonds and debentures, and structured credit.

#### Disclaimer:

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