

Hetro Spinners Private Limited

November 08, 2022

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	21.68	CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	1.52	CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	23.20 (Rs. Twenty-Three Crore and Twenty Lakhs Only)		

Details of instruments/facilities in Annexure-1

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

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated September 13, 2021, placed the rating(s) of Hetro Spinners Private Limited (HSPL) under the 'issuer non-cooperating' category as HSPL 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. HSPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated July 30, 2022, August 10, 2022, August 19, 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 [September 13, 2021](#)

Analytical approach: Standalone

Applicable Criteria

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

[Policy on default recognition](#)

About the Company

Hetro Spinners Private Limited [erstwhile Sai Manasa Spintex (India) Limited] was incorporated in the year 2009, however, the commercial operations of the company started from the year 2010. The company has changed its constitution from Hetro Spinners Limited to Hetro Spinners Private Limited in August 2018. The company was promoted by Mr. K Gopala Reddy, his friends and relatives. The company is engaged in manufacturing of cotton yarn (20-47 count) and sale of cotton seeds. The company procures the raw material (cotton lint) from the traders located in and around Guntur. The company sells its products i.e. cotton yarn and cotton seeds to the spinning millers and traders located at various places like West Bengal, Tamil Nadu, Maharashtra and Telangana.

Brief Financials (Rs. crore)	FY20 (A)	FY21(A)	FY22(Prov.)	H1FY23(Prov.)
Total operating income	8.53	10.13	NA	NA
PBILDT	-1.70	-10.23	NA	NA
PAT	-2.67	-3.50	NA	NA
Overall gearing (times)	3.24	4.02	NA	NA
Interest coverage (times)	-2.29	-241.02	NA	NA

A: Audited; Prov: Provisional; NA: Not Available;

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Status of non-cooperation with previous CRA: India Ratings has continued the ratings assigned to the bank facilities of HSPL to the 'issuer not-cooperating' category vide press release dated October 22, 2021 on account its inability to carryout review in the absence of best available information from the company.

Any other information: Not Applicable

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

Covenants of rated instrument/facility: Annexure 3

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

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	11.20	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	January 2021	9.75	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Working capital Term Loan		-	-	-	0.73	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	0.48	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Credit Exposure Limit		-	-	-	0.04	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-ILC/FLC		-	-	-	1.00	CARE D; ISSUER NOT COOPERATING*

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

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (Rs. 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	9.75	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (13-Sep-21)	1)CARE D; ISSUER NOT COOPERATING* (01-Sep-20)	1)CARE D; ISSUER NOT COOPERATING* (13-Jun-19)
2	Fund-based - LT-Working capital Term Loan	LT	0.73	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (13-Sep-21)	1)CARE D; ISSUER NOT COOPERATING* (01-Sep-20)	1)CARE D; ISSUER NOT COOPERATING* (13-Jun-19)
3	Fund-based - LT-Cash Credit	LT	11.20	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (13-Sep-21)	1)CARE D; ISSUER NOT COOPERATING* (01-Sep-20)	1)CARE D; ISSUER NOT COOPERATING* (13-Jun-19)
4	Non-fund-based - ST-ILC/FLC	ST	1.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (13-Sep-21)	1)CARE D; ISSUER NOT COOPERATING* (01-Sep-20)	1)CARE D; ISSUER NOT COOPERATING* (13-Jun-19)
5	Non-fund-based - ST-Bank Guarantee	ST	0.48	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (13-Sep-21)	1)CARE D; ISSUER NOT COOPERATING* (01-Sep-20)	1)CARE D; ISSUER NOT COOPERATING* (13-Jun-19)
6	Non-fund-based - ST-Credit Exposure Limit	ST	0.04	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (13-Sep-21)	1)CARE D; ISSUER NOT COOPERATING* (01-Sep-20)	1)CARE D; ISSUER NOT COOPERATING* (13-Jun-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 for this company**

Sr. No.	Name of Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Fund-based - LT-Working capital Term Loan	Simple
4	Non-fund-based - ST-Bank Guarantee	Simple
5	Non-fund-based - ST-Credit Exposure Limit	Simple
6	Non-fund-based - ST-ILC/FLC	Simple

Annexure-5: Bank lender details for this company

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

Note on complexity levels of the rated instrument: CARE 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 for any clarifications.

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About CARE Ratings Limited:

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With an established track record of rating companies over almost three decades, we follow 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 Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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