

4S Spintex India Private Limited

April 26, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	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 and key rating drivers

CARE Ratings Ltd. had, vide its press release dated February 03, 2023, 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 December 20, 2023, December 30, 2023, January 09, 2024.

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).

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers:

Please refer to PR dated [February 03, 2023](#)

Applicable criteria

[CARE Ratings' criteria on information adequacy risk and issuer non-cooperation](#)

[Policy on default recognition](#)

[Criteria on Assigning 'Outlook' or 'Rating Watch' to Credit Ratings](#)

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, 2022 (A)	March 31, 2023 (A)
Total operating income	50.00	64.30
PBILDT	4.17	3.36
PAT	1.02	1.10
Overall gearing (times)	4.23	3.83
Interest coverage (times)	2.41	4.34

A: Audited, Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: Infomerics has continued the rating assigned to the bank facilities of 4SSIPL into Issuer Not Cooperating category vide press release dated March 16, 2023 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

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

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

Complexity level of various instruments rated: 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 for the 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 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Term Loan	LT	13.69	CARE B-; Stable; ISSUER NOT COOPERATING*	-	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (03-Feb-23)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (26-Nov-21)
2	Fund-based - LT-Cash Credit	LT	6.00	CARE B-; Stable; ISSUER NOT COOPERATING*	-	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (03-Feb-23)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (26-Nov-21)

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

LT: Long term

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

Annexure-4: Complexity level of the 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 the complexity levels of the rated instruments: 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 for any clarifications.

Contact us

Media Contact Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in	Analytical Contacts Shachee Nakul Vyas Assistant Director CARE Ratings Limited Phone: 079-40265665 E-mail: shachee.tripathi@careedge.in
Relationship Contact Ankur Sachdeva Senior Director CARE Ratings Limited Phone: +91-22-6754 3444 E-mail: Ankur.sachdeva@careedge.in	Aniket Shringarpure Analyst CARE Ratings Limited Phone: 079-40265659 E-mail: aniket.shringarpure@careedge.in
	Jekin Shah Associate Analyst CARE Ratings Limited E-mail: Jekin.Shah@careedge.in

About us:

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