

Sri Salasar Balaji Textiles Private Limited

May 21, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	56.00	CARE BB-; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB; Stable;
Short Term Bank Facilities	1.00	CARE A4; 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 March 08, 2023, placed the rating(s) of Sri Salasar Balaji Textiles Private Limited (SSBTPL) under the 'issuer non-cooperating' category as SSBTPL 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. SSBTPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated January 22, 2024, February 01, 2024, February 11, 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).

The ratings assigned to the bank facilities of SSBTPL have been revised on account of non-availability of requisite information. The revision also factored decline in scale of operations, net losses and increased debt levels in FY23 over FY22.

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers

Please refer to PR dated [March 08, 2023](#)

Applicable criteria

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

[Policy on Default Recognition](#)

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

About the Company

Incorporated in November 2017, Sri Salasar Balaji Textiles Private Limited (SSBTPL) is engaged in the business of spinning and manufacturing of cotton yarn. The company has set up a cotton spinning mill with an installed capacity of 48000 spindles. The plant is set up in Adilabad, Telangana by incurring a project cost of Rs.71.00 crore funded with a term loan of Rs 46.00 crore and balance through equity/group's internal accruals. SSBTPL started commercial operations July, 2019.

Brief Financials (Rs. crore)	March 31, 2021(A)	March 31, 2022 (A)	March 31, 2023 (A)
Total operating income	113.31	238.06	226.38
PBILDT	13.59	14.50	7.17
PAT	1.77	4.00	-5.72
Overall gearing (times)	6.34	3.88	7.63
Interest coverage (times)	2.06	2.32	0.88

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

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

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

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

Covenants of the rated instruments/facilities: Detailed explanation of the 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		-	-	-	10.00	CARE BB-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	April-2028	46.00	CARE BB-; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	1.00	CARE A4; 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	46.00	CARE BB-; Stable; ISSUER NOT COOPERATING *	-	-	1)CARE BB; Stable; ISSUER NOT COOPERATING * (08-Mar-23)	1)CARE BB; Stable; ISSUER NOT COOPERATING * (17-Dec-21)
2	Fund-based - LT-Cash Credit	LT	10.00	CARE BB-; Stable; ISSUER NOT COOPERATING *	-	-	1)CARE BB; Stable; ISSUER NOT COOPERATING * (08-Mar-23)	1)CARE BB; Stable; ISSUER NOT COOPERATING * (17-Dec-21)
3	Non-fund-based - ST-Bank Guarantee	ST	1.00	CARE A4; ISSUER NOT COOPERATING *	-	-	1)CARE A4; ISSUER NOT COOPERATING * (08-Mar-23)	1)CARE A4; ISSUER NOT COOPERATING * (17-Dec-21)

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

LT: Long term; ST: Short 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
3	Non-fund-based - ST-Bank Guarantee	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

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About us:

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Disclaimer:

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