

Sri Spinners

June 10, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	5.57	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 April 12, 2023, placed the rating(s) of Sri Spinners (SS) under the 'issuer non-cooperating' category as SS 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. SS continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated February 26, 2024, March 07, 2024, March 17, 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 [April 12, 2023](#)

Applicable criteria

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

[Policy on default recognition](#)

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

About the firm

Dindugal (Tamil Nadu) based Sri Spinners (SS) was established as a partnership firm on July 14, 2017. Mr. R. Thiyagarajan and Mr. S. Somasundharam are the partners of the firm. The firm proposes to establish a spinning mill with installed capacity of 10,000 spindles per month. The estimated project cost is Rs. 12.70 crore, of which Rs. 4.60 crore is financed by way of term loan, Rs.2.00 crore by way of unsecured loan from partners and the remaining Rs.6.10 crore by way of own funds. The firm will be engaged in manufacturing of polyester cotton yarn of 54' no count which is used in manufacturing of Polyester cotton fabrics. The firm procures raw cotton and polyester from local suppliers in and around Dindugal District in Tamil Nadu. SS started its trail run on July 14, 2018 and is expected to start its commercial operations from September, 2018. However, during the trail run period SS executed orders of Rs.0.33 crore to Maliyan Textiles (Mumbai) as on August 29, 2018. The expected to targeting the customers in and around Dindigul, Salem and Tirupur in Tamil Nadu, Karnataka, Kerala and Maharashtra states.

Brief financials: Financials are not available as the firm was project stage entity at the time of initial rating.

Status of non-cooperation with previous CRA: Not Applicable

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		-	-	-	1.00	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Mortgage Loan facility/ Asset backed financing		-	-	March 2025	3.75	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	March 2025	0.82	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-Mortgage Loan facility/ Asset backed financing	LT	3.75	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (12-Apr-23)	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (31-Jan-22)
2	Fund-based - LT-Term Loan	LT	0.82	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (12-Apr-23)	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (31-Jan-22)
3	Fund-based - LT-Cash Credit	LT	1.00	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (12-Apr-23)	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (31-Jan-22)

*Issuer did not cooperate; Based on best available information

LT: Long term;

Annexure-3: Detailed explanation of the 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-Mortgage Loan facility/ Asset backed financing	Simple
3	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 for any clarifications.

Contact us

Media Contact	Analytical Contacts
Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in	Shachee 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	Foram Dave Analyst CARE Ratings Limited Phone: 079-40265687 E-mail: foram.dave@careedge.in
	Kush Tilva Associate Analyst CARE Ratings Limited E-mail: kush.tilva@careedge.in

About us:

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