

Pioneer Spinning and Weaving Mills Limited

June 24, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	14.10	CARE C; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B-; Stable;
Short Term Bank Facilities	0.90	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 April 10, 2023, placed the rating(s) of Pioneer Spinning and Weaving Mills Limited (PSWML) under the 'issuer non-cooperating' category as PSWML 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. PSWML continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated February 24, 2024, March 05, 2024, March 15, 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 PSWML have been revised on account of non-availability of requisite information. The revision also factored in reported net loss as well as increased debt levels which has led to deterioration in capital structure during FY23.

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers:

Please refer to PR dated [April 10, 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

Pioneer Spinning & Weaving Mills Limited (PSWML) was incorporated in the year 1979 under companies act 2013. In 1979, the company was started under the name and style M/s. Putthur Textiles Limited. During 1984, the company name was changed to current nomenclature. PSW is a closely held Limited Company (unlisted), primarily engaged in cotton yarn spinning in the counts of 40s, 60s, 80s, 92s, and 100s. The administration office of the company located in Chennai and the manufacturing activities are taking place at Chittoor Dt, Andhra Pradesh.

Totally 350 employees including of 200 numbers labours are working for this company. The company procures raw materials from Andhra Pradesh, Madhya Pradesh and Gujarat, and sells its produce in the domestic markets.

Brief Financials (Rs. crore)	March 31, 2022 (A)	March 31, 2023 (A)
Total operating income	86.33	47.27
PBILDT	8.70	-4.27
PAT	2.81	-5.96
Overall gearing (times)	1.19	7.22
Interest coverage (times)	7.36	NM

A: Audited, NM – Not meaningful, Note: 'the above results are latest financial results 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: Not applicable

Any other information: Not applicable

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

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	-	-	-	-	5.19	CARE C; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan	-	-	-	January 2025	8.91	CARE C; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee	-	-	-	-	0.40	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit	-	-	-	-	0.50	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-Cash Credit	LT	5.19	CARE C; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (10-Apr-23)	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (25-Jan-22)
2	Fund-based - LT-Term Loan	LT	8.91	CARE C; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (10-Apr-23)	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (25-Jan-22)
3	Non-fund-based - ST-Letter of credit	ST	0.50	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (10-Apr-23)	-	1)CARE A4; ISSUER NOT COOPERATING* (25-Jan-22)
4	Non-fund-based - ST-Bank Guarantee	ST	0.40	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (10-Apr-23)	-	1)CARE A4; ISSUER NOT COOPERATING* (25-Jan-22)

*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
4	Non-fund-based - ST-Letter of credit	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.

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About us:

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