

Garg Spinning Mills

June 02, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	14.09	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 & Key Rating Drivers

CARE Ratings Limited (CareEdge Ratings) had, vide its press release dated May 30, 2024, placed the rating(s) of Garg Spinning Mills (GSM) under the 'issuer non-cooperating' category as GSM had failed to provide information for monitoring of the rating as agreed to in its Rating Agreement. GSM continues to be non-cooperative despite repeated requests for submission of information through e-mails dated April 15, 2025, April 25, 2025, May 05, 2025 among others.

In line with the extant SEBI guidelines, CareEdge Ratings has reviewed the rating on the basis of the best available information which however, in CareEdge Ratings 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 [May 30, 2024](#)

Applicable criteria

[Definition of Default](#)

[Policy in respect of non-cooperation by issuers](#)

[Rating Outlook and Rating Watch](#)

About the company

Garg Spinning Mills (GSM) belongs to the Rajiv group of Panipat, Haryana, founded in 1993. GSM was established as a partnership firm in September 2015 by Mr. Rajiv Garg and Mr. Chirag Garg as its partners, sharing profits and losses equally. GSM is engaged in the manufacturing of cotton yarn (in counts of 4-10s) at its manufacturing facility located at Panipat, Haryana having a total installed capacity of manufacturing 112 lakh kg of cotton yarn per annum as on November 30, 2019. The yarn manufactured by the firm is of coarser counts and is primarily used in the manufacturing of bath mat, home furnishings, etc. The other group concerns are Akash Home Furnishings Private Limited, engaged in the manufacturing of 3d bed sheets (established in 2009) and Shiv Trading Company, engaged in the trading of cotton waste and cotton yarn (established in 2012).

Status of non-cooperation with previous CRA: Acuite has continued the rating assigned to the bank facilities of GSM into Issuer Not Cooperating category vide press release dated November 26, 2024 on account of its inability to carry out a review in the absence of requisite information.

Any other information: Not Applicable

Rating history for last three years: Annexure-2

Covenants of rated instrument / facility: Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

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 and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	9.00	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	December 2027	5.09	CARE B-; Stable; ISSUER NOT COOPERATING*

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

Annexure-2: Rating history for 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 2025-2026	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
1	Fund-based - LT-Term Loan	LT	5.09	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (30-May-24)	1)CARE B; Stable; ISSUER NOT COOPERATING* (11-Apr-23)	-
2	Fund-based - LT-Cash Credit	LT	9.00	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (30-May-24)	1)CARE B; Stable; ISSUER NOT COOPERATING* (11-Apr-23)	-

*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 complexity levels of rated instruments: Care Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

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About us:

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