

F. T. Textiles Private Limited

September 03, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	-	-	Rating continues to remain under ISSUER NOT COOPERATING category and Downgraded to CARE B+; Stable; ISSUER NOT COOPERATING* from CARE BB-; Stable; ISSUER NOT COOPERATING* and Withdrawn
Short Term Bank Facilities	-	-	Rating continues to remain under ISSUER NOT COOPERATING category; Reaffirmed at CARE A4; ISSUER NOT COOPERATING* and Withdrawn

Details of instruments/facilities in Annexure-1

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

Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) has downgraded and withdrawn the outstanding ratings of CARE B+; Stable; ISSUER NOT COOPERATING/ CARE A4; ISSUER NOT COOPERATING (Sigle B Plus; Outlook: Stable; ISSUER NOT COOPERATING/ A four; ISSUER NOT COOPERATING) assigned to the bank facilities of F. T. Textiles Private Limited (FTTPL) with immediate effect. The above action has been taken at the request of FTTPL along with No Objection Certificate received from the bank that has extended the facilities rated by CareEdge Ratings.

The ratings assigned to the bank facilities of FTTPL have been revised on account of non-availability of requisite information. The ratings assigned also factored in decline in scale of operation with low profitability margins and deterioration in debt coverage indicators. The ratings also continue to remain constrained on account of raw material price volatility risk, highly fragmented & competitive industry. However, the ratings derive strength from experienced promoters and Comfortable capital structure.

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers:

At the time of last rating dated March 12, 2025, the following were the rating strengths and weaknesses (updated based on information available from registrar of companies)

Key Weaknesses

Decline in scale of operations with low profitability

FTTPL's scale of operation marked by total operating income (TOI) declined by 27.60% during FY24 and remained modest of Rs. 205.59 crore during FY24 as against Rs. 283.88 crore during FY23. Further, Absolute profitability declined in line with a decline in scale of operations. However, the FTTPL's operating margin remained low marked by PBILDT margin of 3.37% during FY24 as against 3.73% during FY23. Moreover, with increase in interest and depreciation expenses, PAT margin declined and was of 0.08% during FY24 as against 1.93% during FY23. Consequence of decline in profitability in absolute terms, gross cash accruals of FTTPL also reduced to Rs. 3.77 crore during FY24 as against Rs. 7.47 crore during FY23.

Deterioration in debt coverage indicators

With decline in operating profitability coupled with high interest costs, debt coverage indicators deteriorated and remained moderate marked by an interest coverage ratio of 2.26x during FY24 as compared to 5.96x during FY23 and Total Debt/GCA also weakened and stood at 7.98 years as on March 31, 2024, compared to 3.71 years as on March 31, 2023.

Raw material price volatility risk

The main raw material for the company is polyester yarn. Price of polyester yarn is linked to the price of crude oil which is fluctuating in nature. This exposes FTTPL's profitability and thereby its cash flows to volatility in the price of raw materials.

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

Highly fragmented & competitive industry

The yarn processing industry in India is highly fragmented and dominated by a large number of independent and small-scale unorganized players leading to high competition among industry players. Smaller size companies like FTTPL are more vulnerable to intense competition and have limited pricing flexibility, which constrains their profitability as compared to larger companies who have better efficiencies and pricing power considering their scale of operations.

Key Strengths

Experienced promoters

The promoters have more than two decades of experience in the textile business.

Comfortable capital structure

Owing to moderate networth base and comparatively lower overall debt, capital structure remained comfortable as marked by an overall gearing ratio of 0.57x as on March 31, 2024 as against 0.53x as on March 31, 2023.

Assumptions/Covenants: Not applicable

Environment, social, and governance (ESG) risks: Not applicable

Applicable criteria

[CARE Ratings' Policy on Withdrawal of Ratings](#)

[Criteria on Information Adequacy Risk and Issuer Non-Cooperation](#)

[CARE Ratings' Policy on Default Recognition](#)

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

[CARE Ratings' Criteria on Rating of Short Term Instruments](#)

[Financial Ratios – Non-Financial Sector](#)

[Rating Methodology for Manmade Yarn Manufacturing](#)

[Rating Methodology - Manufacturing Companies](#)

About the company

Incorporated in 2009, F. T. Textile Private Limited (FTTPL), by Mr. Fayyazuddin Mulla is engaged in the business of manufacturing of grey fabric, primarily polyester. FTTPL procures yarn and performs the gassing process. Post the above process the yarn is outsourced to job-workers for fabric manufacturing. FTTPL sells its products under the brand name of FT Guru. FTPL has its manufacturing plant located at Bhiwandi, Maharashtra.

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)
Total operating income	283.88	205.59
PBILDT	10.59	6.93
PAT	5.47	0.16
Overall gearing (times)	0.53	0.57
Interest coverage (times)	5.96	2.26

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

Status of non-cooperation with previous CRA: Brickwork has continued the rating assigned to the bank facilities of FTTPL under Issuer Not Cooperating category vide press release dated March 10, 2025 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: Annexure-2

Covenants of rated instrument / facility: 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 and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	0.00	Withdrawn
Fund-based - LT-Term Loan		-	-	December, 2022	0.00	Withdrawn
Non-fund-based - ST-Bank Guarantee		-	-	-	0.00	Withdrawn

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	-	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (03-Sep-25)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (12-Mar-25)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (13-Feb-24)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (26-Dec-22)
2	Fund-based - LT-Cash Credit	LT	-	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (03-Sep-25)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (12-Mar-25)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (13-Feb-24)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (26-Dec-22)
3	Non-fund-based - ST-Bank Guarantee	ST	-	-	1)CARE A4; ISSUER NOT COOPERATING* (03-Sep-25)	1)CARE A4; ISSUER NOT COOPERATING* (12-Mar-25)	1)CARE A4; ISSUER NOT COOPERATING* (13-Feb-24)	1)CARE A4; ISSUER NOT COOPERATING* (26-Dec-22)

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

LT: Long term; ST: Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable**Annexure-4: Complexity level of 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 lender-wise details of bank facilities please [click here](#)

Note on complexity levels of rated instruments: CareEdge 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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