

## SA Textiless Private Limited

March 23, 2026

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	18.92	CARE B+; Stable; ISSUER NOT COOPERATING*	Downgraded from CARE BB-; Stable and moved to 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 Limited (CareEdge Ratings) has been seeking information from SA Textiless Private Limited (SATPL) to monitor the rating(s) vide e-mail communications dated September 09, 2025, September 22, 2025, September 29, 2025, October 08, 2025, October 28, 2025, November 05, 2025, November 12, 2025, November 20, 2025, November 28, 2025, December 04, 2025, December 10, 2025, December 16, 2025, December 22, 2025, December 29, 2025, January 06, 2026, January 13, 2026, January 21, 2026, February 02, 2026, February 09, 2026, February 17, 2026, February 23, 2026, March 02, 2026, March 06, 2026, March 10, 2026, March 11, 2026 and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CARE Ratings Limited (CareEdge Ratings) has reviewed the rating on the basis of the best available information which however, in CARE Ratings Limited (CareEdge Ratings)'s opinion is not sufficient to arrive at a fair rating. The ratings on SATPL's bank facilities will now be denoted as '**CARE B+; Stable; ISSUER NOT COOPERATING**'

**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 SA Textiless Private Limited (SATPL) has been revised on account of non-availability of requisite information. The rating assigned to the bank facilities of SATPL continue to be constrained by small scale of operations, leveraged capital structure, susceptibility of profitability to raw material price fluctuations and presence in highly fragmented industry. The ratings, however, derives comfort from the extensive experience of promoters, comfortable profitability margins and diversified clientele

**Analytical approach:** Standalone

**Outlook:** Stable

### Detailed description of the key rating drivers

At the time of last rating on February 18, 2025, the following were the rating strengths and weaknesses (updated from the information available from ROC)

#### Key weaknesses

##### Small scale of operations

The scale of operations has marginally reduced due to lower demand of its products and remained small at Rs. 45.81 crore in FY25 as against Rs. 53.73 crore in FY24.

##### Highly fragmented and competitive business with volatile profitability margins

The spinning industry is highly fragmented in nature with several organized and unorganized players. The profitability of spinning mills depends largely on the prices of cotton and cotton yarn which are governed by various factors such as area under cultivation, monsoon, international demand-supply situation, etc. The cotton textile industry is inherently prone to the volatility in cotton and yarn prices.

##### Financial risk profile marked by leveraged capital structure

The capital structure of the company has marginally improved but remained leveraged marked by overall gearing of 5.40x as on March 31, 2025 as against 6.94x as on March 31, 2024. Further, due to reduced profitability in absolute terms, the debt coverage indicators have deteriorated further and stood weak with Total debt/GCA of 10.12 years as on March 31, 2025 as against 9.81

<sup>1</sup>Complete definition of ratings assigned are available at [www.careratings.com](http://www.careratings.com) and other CARE Ratings Limited's publications.

years as on March 31, 2024 and Interest coverage of 1.96x during FY25 as against 2.04x during FY24.

### Key strengths

#### Extensive experience of promoters in the textile industry

The Company was incorporated on July 11, 1991, promoted by Mr. S Appusamy, Mrs. A Kalaiselvi, Mr. A Balaji and Mr. A Sakthi Vignesh. Mr. S Appusamy has more than four decades of experience in textile industry, and other promoters have about a decade of experience in textile industry. Mr. S Appusamy is a graduate in Agriculture, while his son Mr. Balaji is an MBA graduate. The business is entirely run by the family. The vast experience of the promoters in similar industry is likely to maintain a long-term relationship with customers and suppliers and benefits the company in receipt of orders from new customers along existing clientele

#### Comfortable profitability margins

PBILDT margin remained in the same line as previous year and remained at 9.75% in FY25 as against 9.74% in FY24. However, due to reduced interest and depreciation costs, PAT margin has improved but remained low at 0.76% in FY25 as against 0.47% in FY24.

#### Diversified customer base

With the company's presence in the textile industry for more than two decades, SATPL has maintained a diversified customer base. The SATPL clientele base comprises of customers located in the states of Tamil Nadu and Maharashtra such as Taj Cotton Fabrics (Maharashtra), Mahalinga Textiles (Tamil Nadu), etc. The company has equal sales in both the states with Maharashtra being the more focused state, due to better credit period and direct sales. The top-5 customers contributed to 17% (PY: 24%) of income in FY24.

#### Liquidity: Stretched

liquidity is stretched marked by low cash accruals to meet its debt repayment obligation, however supported by regular infusion of unsecured loans from promoters. During FY25, Promoters have infused USL to the tune of Rs. 0.45 crore. Working capital cycle remained elongated at 92 days during FY25 as against 85 days during FY24 due to elongated inventory days. Further, cash and bank balance remained modest at Rs. 3.35 crore as on March 31, 2025. Net Cash Flow from Operating Activities (CFO) remained at Rs. 8.85 crore in FY25 which has improved from Rs. 5.91 crore in FY24 due to realization of funds from inventories.

**Assumptions/Covenants:** Not applicable

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

#### Applicable Criteria

[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](#)

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

[Liquidity Analysis of Non-Financial Sector Entities](#)

[Rating Methodology - Cotton Textile Manufacturing](#)

[Rating Methodology - Manufacturing companies](#)

### About the firm and industry

#### Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer Discretionary	Textiles	Textiles & Apparels	Other Textile Products

SA Textiles Private Limited (SATPL) was incorporated on July 11, 1991 and began its commercial operation from June 2003. The company is promoted by Mr. S Appusamy, his wife Mrs. A Kalaiselvi and his sons, Mr. A Balaji and Mr. A Sakthi Vignesh respectively. The company manufactures cotton yarn with count range of 60s and combed warp yarn. The company purchases cotton through agents located in Tirupur and supplies to agents and customers in Maharashtra and Tamil Nadu. The installed capacity is 1200 MT of cotton yarn per year with 14,400 spindles.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)
Total operating income	53.73	45.81
PBILDT*	5.23	4.47
Profit after tax (PAT)	0.25	0.35
Overall gearing (x)	6.94	5.40
Interest coverage (x)	2.04	1.96

A: Audited Note: these are latest available financial results

\*PBILDT: Profit before interest, lease rentals, depreciation and tax

**Status of non-cooperation with previous CRA:** Not applicable

**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		-	-	-	10.75	CARE B+; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	January 2027	8.17	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	8.17	CARE B+; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable (18-Feb-25)	1)CARE BB-; Stable (26-Feb-24)	1)CARE BB-; Stable (17-Jan-23)
2	Fund-based - LT-Cash Credit	LT	10.75	CARE B+; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable (18-Feb-25)	1)CARE BB-; Stable (26-Feb-24)	1)CARE BB-; Stable (17-Jan-23)
3	Fund-based - ST-Buyers Credit	ST	-	-	-	1)Withdrawn (18-Feb-25)	1)CARE A4 (26-Feb-24)	1)CARE A4 (17-Jan-23)

\*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

**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.

### Contact us

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