

Balkrishna Spintex Private Limited

August 29, 2022

Ratings

Facilities / Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	38.53	CARE B; Stable; ISSUER NOT COOPERATING* (Single B; Outlook: Stable; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	1.89	CARE A4; ISSUER NOT COOPERATING* (A Four; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Facilities	40.42 (Rs. Forty Crore and Forty-Two Lakhs Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated June 29, 2021, placed the rating(s) of Balkrishna Spintex Private Limited (BSPL) under the 'issuer non-cooperating' category as BSPL 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. BSPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated May 15, 2022, May 25, 2022, June 04, 2022.

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).

Detailed description of the key rating drivers

Please refer to PR dated [June 29, 2021](#)

Analytical approach: Standalone

Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

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

About the Company

Rajkot-based (Gujarat), BSPL is a private limited company incorporated in September, 2013 by Mr. Arvind Raichura, Mr. Girish Raichura, Mr. Dipak Raichura, Mr. Nathalal Raichura and Mr. Mitesh Kotecha. Apart from BSPL, the group is in the business of cotton ginning and pressing through its group companies, M/S Balkrishna Ginning and Pressing Factory and trading of cotton seeds and cotton bales through Balkrishna Cotspin. BSPL manufactures combed cotton yarn of finer quality with 30s count and operates from its sole manufacturing facility located at Sanosara, Rajkot. BSPL has total installed capacity of 16,416 spindles to produce 4380 metric tonne per annum (MTPA) of cotton yarn as on March 31, 2017. The major raw material for manufacturing cotton yarn is ginned cotton which is being procured from the local market of Rajkot.

Brief Financials (Rs. crore)	FY20(A)	FY21(A)	FY22(Prov.)	Q1FY23 (Prov.)
Total operating income	100.88	104.72	NA	NA
PBILDT	6.19	4.78	NA	NA
PAT	0.33	0.07	NA	NA
Overall gearing (times)	0.99	0.71	NA	NA
Interest coverage (times)	2.29	2.19	NA	NA

A: Audited; Prov.: Provisional; NA: Not Available

¹Complete definitions of the ratings assigned are available at www.careedge.in and in other CARE Ratings Ltd.'s publications

*Issuer did not cooperate; Based on best available information

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: Annexure-3

Complexity level of various instruments rated for this company: Annexure-4

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	9.00	CARE B; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	1.64	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-Credit Exposure Limit		-	-	-	0.25	CARE A4; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	June 2023	29.53	CARE B; Stable; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument / Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Cash Credit	LT	9.00	CARE B; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (29-Jun-21)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (25-May-20)	-
2	Non-fund-based - ST-Bank Guarantee	ST	1.64	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (29-Jun-21)	1)CARE A4; ISSUER NOT COOPERATING* (25-May-20)	-
3	Non-fund-based - ST-Credit Exposure Limit	ST	0.25	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (29-Jun-21)	1)CARE A4; ISSUER NOT COOPERATING* (25-May-20)	-
4	Fund-based - LT-Term Loan	LT	29.53	CARE B; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (29-Jun-21)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (25-May-20)	-

*Issuer did not cooperate; Based on best available information

Annexure 3: Detailed explanation of the covenants of the rated instruments/facilities: Not Applicable

Annexure 4: Complexity level of various instruments rated for this company

Sr. No.	Name of 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-Credit Exposure Limit	Simple

Annexure 5: Bank Lender Details for this Company

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instrument: CARE Ratings Ltd. 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 CARE Ratings Limited:

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With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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