

G C Spintex Private Limited (Formerly known as G C Spintex Limited)

August 29, 2022

Ratings

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	4.95	CARE BB+; Stable; ISSUER NOT COOPERATING* (Double B Plus; Outlook: Stable ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	4.95 (₹ Four Crore and Ninety-Five Lakhs Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated June 14, 2021, placed the rating(s) of G C Spintex Private Limited (GCS) under the 'issuer non-cooperating' category as GCS 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. GCS continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated April 30, 2022, May 10, 2022, May 20, 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 14, 2021](#)

Analytical approach: Combined Approach. The financial and business risk profiles of G C Spintex Private Limited (GCS), GC Threads Private Limited (GCT) and GC Fibres Limited (GCF) have been combined as the three companies (together referred to as 'GC Group') are in the same line of business, have operational and financial linkages, have the same promoters and a common management team.

Applicable Criteria

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

[Policy on Default Recognition](#)

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

About the Company

GC Spintex Private Limited (GCS) belongs to the GC group of Samana, Punjab, founded in 1982, with presence in textile and steel industry. Incorporated in 1999 as a closely-held public limited company, GCS commenced its operations in 2001. GCS is engaged in the business of manufacturing of open-end cotton yarn in the range of 5-23 count. GCS has two major group companies engaged in the textile industry, namely, G. C. Threads Private Limited and G.C. Fibres Limited (GCF) engaged in the manufacturing of Cotton Yarn of 5s to 30s and has two group companies in the steel industry, namely G.C. Strips Limited and GC Strips engaged in the manufacturing of pipes & tubes with manufacturing facilities located at Samana, Punjab. The group is engaged in the manufacturing of Cotton Yarn of counts ranging from 5s to 30s.

Combined Financials – GC Group:

Brief Financials (Rs. crore)	FY20(UA)	FY21(UA)	FY22(Prov.)	Q1FY23(Prov.)
Total operating income	317.86	298.59	NA	NA
PBILDT	14.37	20.75	NA	NA
PAT	2.83	9.90	NA	NA
Overall gearing (times)	0.12	0.08	NA	NA
Interest coverage (times)	7.95	16.95	NA	NA

UA -Unaudited, Prov.- Provisional, NA – Not Available.

¹ Complete definition of the ratings assigned are available at www.careedge.in and other CARE publications

*Issuer did not cooperate; Based on best available information

Standalone Financials – G C Spintex Private Limited

Brief Financials (Rs. crore)	FY20(A)	FY21(A)	FY22(Prov.)	Q1FY23(Prov.)
Total operating income	98.12	94.90	NA	NA
PBILDT	3.91	5.72	NA	NA
PAT	1.07	3.01	NA	NA
Overall gearing (times)	0.14	0.18	NA	NA
Interest coverage (times)	8.92	19.30	NA	NA

A -Audited, Prov.- Provisional, NA – Not Available.

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Available

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

Covenants of rated instrument/facility: Please refer Annexure-3

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

Annexure-1: Details of Instruments / Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	-	4.95	CARE BB+; 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 (₹ 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-Term Loan	LT	-	-	-	-	-	1)Withdrawn (02-Apr-19)
2	Fund-based - LT-Cash Credit	LT	-	-	-	-	1)Withdrawn (01-Oct-20) 2)CARE BBB-; Stable; ISSUER NOT COOPERATING* (02-Apr-20)	1)CARE BBB; Stable (02-Apr-19)
3	Fund-based - LT-Cash Credit	LT	4.95	CARE BB+; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (14-Jun-21)	1)CARE BBB; Stable; ISSUER NOT COOPERATING* (25-Mar-21) 2)CARE BBB; Stable (01-Oct-20) 3)CARE BBB-; Stable; ISSUER NOT COOPERATING* (02-Apr-20)	1)CARE BBB; Stable (02-Apr-19)
4	Non-fund-based - ST-Bank	ST	-	-	-	-	1)Withdrawn (01-Oct-20)	1)CARE A3+ (02-Apr-19)

	Guarantee							2)CARE A3; ISSUER NOT COOPERATING* (02-Apr-20)
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*Issuer did not cooperate; Based on best available information

Annexure-3: Detailed explanation of covenants of the rated instrument / 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

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 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 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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