

June 20, 2024

Spruce Enterprises Pvt. Ltd.: Rating moved to Issuer Non-Cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Fund based- Cash Credit	2.60	2.60	[ICRA]B (Stable); ISSUER NOT COOPERATING*; rating moved to "ISSUER NOT COOPERATING" category
Fund based- Term Loan	0.45	0.45	[ICRA]B (Stable); ISSUER NOT COOPERATING*; rating moved to "ISSUER NOT COOPERATING" category
Total	3.05	3.05	

*Issuer did not cooperate; based on best available information; [^]Instrument details are provided in Annexure-1

Rationale

ICRA has moved the ratings for the bank facilities of Spruce Enterprises Pvt. Ltd.(SEPL) to the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]B (Stable); ISSUER NOT COOPERATING".

The rating is based on no updated information on the SEPL's performance since the time it was last rated in March-2023. The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating does not adequately reflect the credit risk profile of the entity. The entity's credit profile may have changed since the time it was last reviewed by ICRA; however, in the absence of requisite information, ICRA is unable to take a definitive rating action.

As part of its process and in accordance with its rating agreement with SEPL, ICRA has been trying to seek information from the entity so as to monitor its performance. Despite repeated requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been moved to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures the Key rating drivers and their description, Liquidity position, Rating sensitivities: [Click here](#). ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Policy In Respect of Non-Cooperation by a Rated Entity Textiles - Apparels
Parent/Group support	Not Applicable
Consolidation/Standalone	The rating is based on the standalone financial statements of the issuer.

About the company

Spruce Enterprises Pvt. Ltd. (SEPL) was set up in 2010. The company is involved in yarn, fabric dyeing and readymade garment trading, all of which are manufactured by third party manufacturers situated in Ichalkarnji, Maharashtra. Vaishali Swapnil Awade and Swapnil Prakash Awade are the promoters of SEPL, they operate as the directors of the company and have

extensive working experience across different fields such as Real Estate and in the manufacture of Packing materials, and Textiles trading.

Key financial indicators (audited)

SEPL	FY2022	FY2023
Operating income	11.2	15.8
PAT	0.1	0.1
OPBDITA/OI (%)	4.9%	6.8%
PAT/OI (%)	0.8%	0.8%
Total outside liabilities/Tangible net worth (times)	13.6	13.2
Total debt/OPBDIT (times)	10.4	6.1
Interest coverage (times)	1.2	1.2

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore

PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Type	Current Rating (FY2025)		Chronology of Rating History for the past 3 years			
		Amount Rated (Rs. crore)	Amount Outstanding as of December 31, 2023 (Rs. crore)	Date & Rating in	Date & Rating in FY2024	Date & Rating in FY2023	Date & Rating in FY2022
				June 20, 2024	Apr 05, 2023	-	-
1 Fund Based - Cash Credit	Long-term	2.60	-	[ICRA]B (Stable); ISSUER NOT COOPERATING	[ICRA]B (Stable)	-	-
2 Term Loan	Long-term	0.45	0.43	[ICRA]B (Stable); ISSUER NOT COOPERATING	[ICRA]B (Stable)	-	-

Complexity level of the rated instrument

Instrument	Complexity Indicator
Fund based - Cash Credit	Simple
Fund based- Term Loan	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](#)

Annexure-I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs Crore)	Current Rating and Outlook
NA	Cash Credit	NA	-	NA	2.60	[ICRA]B (Stable); ISSUER NOT COOPERATING
NA	Term Loan	March-2022	11.06%	March-2027	0.45	[ICRA]B (Stable); ISSUER NOT COOPERATING

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure-II: List of entities considered for consolidated analysis- Not Applicable

ANALYST CONTACTS

Shamsher Dewan
+91 124 4545328
shamsherd@icraindia.com

Kinjal Shah
+91 22 6114 3442
kinjal.shah@icraindia.com

Taanisha Sharma
+91 22 6169 3344
taanisha.sharma@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)
info@icraindia.com

About ICRA Limited:

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ICRA Limited



Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45



Branches



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