

February 14, 2025

Prabhu Spinning Mills Private Limited: Continues to remain under issuer non-cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Cash Credit	85.00	85.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term-Fund Based-Term Loan	29.72	29.72	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term / Short Term-Unallocated	35.28	35.28	[ICRA]B+(Stable); ISSUER NOT COOPERATING/[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Short Term-Non Fund Based-Others	10.00	10.00	[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	160.00	160.00	

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

[^]Instrument details are provided in Annexure-I

Rationale

ICRA has kept the Long-Term and Short-Term ratings of Prabhu Spinning Mills Private Limited in the 'Issuer Not Cooperating' category. The ratings are denoted as "[ICRA]B+(Stable); ISSUER NOT COOPERATING/[ICRA]A4; ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with Prabhu Spinning Mills Private Limited, ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple 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 continued 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 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	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology Textiles - Spinning
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

Prabhu Spinning Mills Private Limited (Prabhu, “the company”) was set up in 1994 to boost the group’s interest in the spinning business. In FY04, Prabhu diversified into coarse yarn with the installation of 3840 rotors. Currently, the company has two units which are involved in the manufacture of cotton yarn and OE yarn respectively. The former has an installed capacity of 37,680 spindles while the OE division has a capacity of 10800 rotors. The spinning division produces counts ranging from 20s to 40s with very little presence in value added products such as compact yarn. Bulk of the yarn manufactured by the company finds its application in knitting fabric. The OE division functions primarily as an in-house manufacturing division wherein bulk of the production (50%) is carried out on job-work basis. Over the years the company has invested steadily in Wind Electric Generators (WEGs) and as on date it has an installed capacity of 25.9 MW.

Key financial indicators:

Standalone	FY 2021 (Rs. In Crore)	FY 2022 (Rs. In Crore)
Operating Income (Rs. crore)	402.5	611.6
PAT (Rs. crore)	16.86	55.73
OPBDITA/OI (%)	11.7%	16.9%
PAT/OI (%)	4.2%	9.1%
Total Outside Liabilities/Tangible Net Worth (times)	0.53	0.49
Total Debt/OPBDITA (times)	2.00	0.86
Interest Coverage (times)	6.05	19.38

PAT: Profit after Tax; OPBDITA: Operating Profit before Depreciation, Interest, Taxes and Amortization

Source: MCA

Status of non-cooperation with previous CRA: NA

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2025)			Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs. Crore)	Date & Rating in	Date & Rating in FY2024	Date & Rating in FY2023	Date & Rating in FY2022
				14-Feb-2025	22-Dec-2023	10-Oct-2022	24-Sep-2021
1	Cash Credit	Long Term	85.00	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING	[ICRA]BBB (Stable)
2	Term Loan	Long Term	29.72	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING	[ICRA]BBB (Stable)
2	Unallocated	Long Term/ Short Term	35.28	[ICRA]B+ (Stable); ISSUER NOT COOPERATING/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING/ [ICRA]A4+; ISSUER NOT COOPERATING	[ICRA]BBB (Stable)/ [ICRA]A3+
3	Non Fund Based	Short Term	10.00	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4+; ISSUER NOT COOPERATING	[ICRA]A3+

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Term Loan	Simple
Unallocated	Not Applicable
Non Fund Based	Very 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 No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Cash Credit	-	-	-	85.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Term Loan	FY2019	NA	FY2024	29.72	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Unallocated	-	-	-	35.28	[ICRA]B+(Stable); ISSUER NOT COOPERATING/[ICRA]A4; ISSUER NOT COOPERATING
NA	Non Fund Based	-	-	-	10.00	[ICRA]A4; ISSUER NOT COOPERATING

Source: Prabhu Spinning Mills Private Limited

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

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Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

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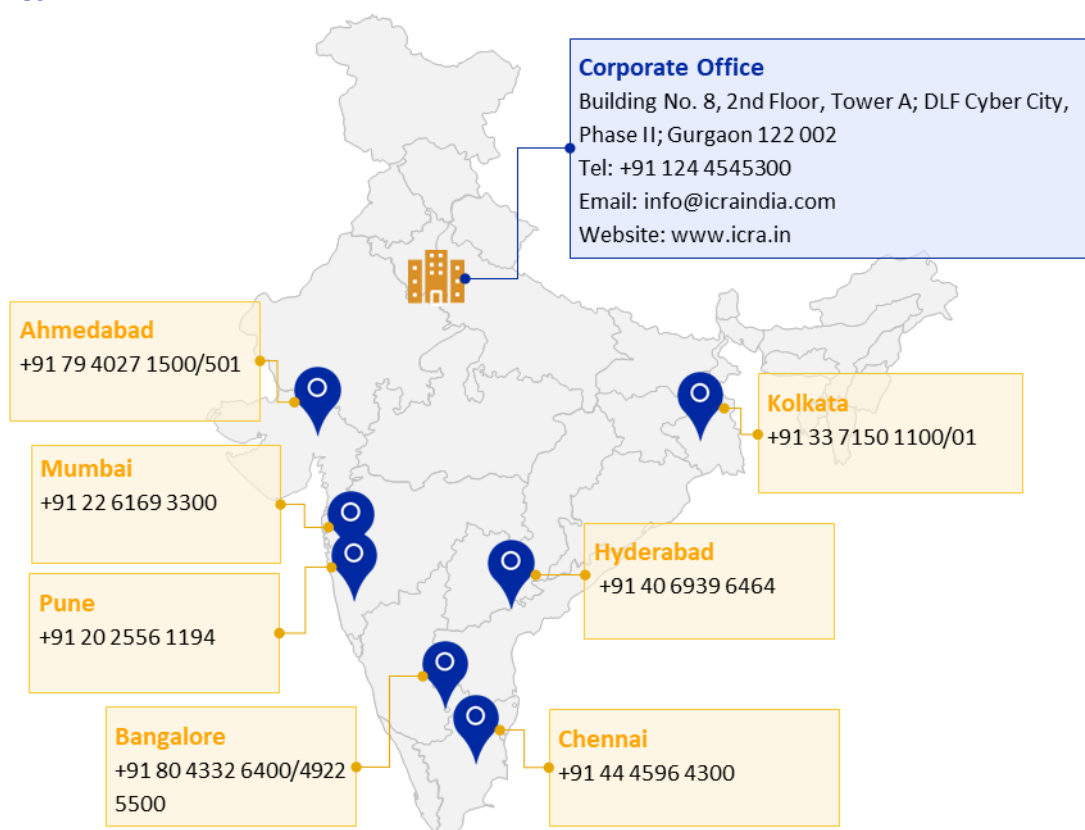


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