

October 16, 2019

Sruti Filatex Private Limited: Rating Withdrawn

Summary of rating action

Instrument	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Cash Credit	10.00	10.00	[ICRA]B+(Stable) ISSUER NOT COOPERATING; Withdrawn
Term Loan	5.94	5.94	[ICRA]B+(Stable) ISSUER NOT COOPERATING; Withdrawn
Bank Guarantee	1.50	1.50	[ICRA]A4 ISSUER NOT COOPERATING; Withdrawn
Total	17.44	17.44	

Rationale

The long-term and the short-term ratings assigned to Sruti Filatex Private Limited (SFPL/the firm) have been withdrawn at the request of the company, based on the no-objection certificate provided by its banker. ICRA is withdrawing the rating and that it does not have information to suggest that the credit risk has changed since the time the rating was last reviewed. ICRA has withdrawn the Stable outlook on the long-term rating.

The previous detailed rating rationale is available on the following link: [Click here](#)

About the company:

Sruti Filatex Private Limited (SFPL) was incorporated in 1997 and commenced operations in 2003. It is engaged in the production of Draw Texturised Yarn (DTY), viz. Crimp Yarn and Kota Yarn from Partially Oriented Yarn (POY). SFPL is equipped with 10 texturing machines for production of crimp yarn and kota yarn at its facility located at Pipodara, near Surat (Gujarat). Each machine has an installed capacity of processing 550-600 kgs of yarn per day with the configuration of 30 deniers. The installed capacity varies as per variation in configuration of deniers and spindles. In FY2012, the company forayed into kota yarn processing, considering its favourable demand prospects in the market and higher contribution. As per management, company is currently working at its full capacity. Further, from March 2015 onwards, company has also introduced new product namely Air Texturised Yarn (ATY) by installing 4 new Air Texturised machines each having capacity to produce 1200 kgs of yarn per day with the configuration of 110 deniers.

Key financial indicators – (Audited)

	FY2016	FY2017
Operating Income (Rs. crore)	62.29	73.98
PAT (Rs. crore)	0.49	0.20
OPBDIT/ OI (%)	8.07%	9.43%
RoCE (%)	11.97%	11.26%
Total Outside Liabilities/Tangible Net Worth (times)	3.07	4.72
Total Debt/OPBDIT (times)	3.99	5.62
Interest Coverage (times)	2.09	2.08
DSCR	1.26	1.27

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years:

All figures in Rs. Crore

	Instrument	Current Rating (FY2020)				Rating History for the Past 3 Years			
		Type	Amount Rated	Amount Outstanding	Rating		FY2019	FY2018	FY2017
					16-October 2019	30-August 2019	25-May 2018	-	15-November 2016
1	Cash Credit	Long Term	10.00	-	[ICRA]B+ (Stable) ISUER NOT COOPERATING; Withdrawn	[ICRA]B+ (Stable) ISUER NOT COOPERATING; Withdrawn	[ICRA]BB- (Stable) ISUER NOT COOPERATING;	-	[ICRA]BB- (Stable)
2	Term Loan	Long Term	5.94	NA	[ICRA]B+ (Stable) ISUER NOT COOPERATING; Withdrawn	[ICRA]B+ (Stable) ISUER NOT COOPERATING; Withdrawn	[ICRA]BB- (Stable) ISUER NOT COOPERATING;	-	[ICRA]BB- (Stable)
3	Bank Guarantee	Short Term	1.50	-	[ICRA]A4 ISUER NOT COOPERATING; Withdrawn	[ICRA]A4 ISUER NOT COOPERATING; Withdrawn	[ICRA]A4 ISUER NOT COOPERATING;		[ICRA]A4

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: 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	NA	NA	NA	10.00	[ICRA]B+ (Stable) ISUER NOT COOPERATING; Withdrawn
NA	Term Loan	NA	NA	NA	5.94	[ICRA]B+ (Stable) ISUER NOT COOPERATING; Withdrawn
NA	Bank Guarantee	NA	NA	NA	1.50	[ICRA]A4 ISUER NOT COOPERATING; Withdrawn

Source: Sruti Filatex Private Limited

ANALYST CONTACTS

K. Ravichandran
+91 44 4596 4301
ravichandran@icraindia.com

Suprio Banerjee
+91 22 6114 3443
supriob@icraindia.com

Mayank Agrawal
+91 79 4027 1522
mayank.agrawal@icraindia.com

Sagar Vora
+91 79 4027 1547
vora.sagar@icraindia.com

RELATIONSHIP CONTACT

Jayanta Chatterjee
+91 80 4332 6401
jayantac@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:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

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.

For more information, visit www.icra.in

ICRA Limited

Corporate Office

Building No. 8, 2nd Floor, Tower A; DLF Cyber City, Phase II; Gurgaon 122 002

Tel: +91 124 4545300

Email: info@icraindia.com

Website: www.icra.in

Registered Office

1105, Kailash Building, 11th Floor; 26 Kasturba Gandhi Marg; New Delhi 110001

Tel: +91 11 23357940-50

Branches

Mumbai + (91 22) 24331046/53/62/74/86/87

Chennai + (91 44) 2434 0043/9659/8080, 2433 0724/ 3293/3294,

Kolkata + (91 33) 2287 8839 /2287 6617/ 2283 1411/ 2280 0008,

Bangalore + (91 80) 2559 7401/4049

Ahmedabad+ (91 79) 2658 4924/5049/2008

Hyderabad + (91 40) 2373 5061/7251

Pune + (91 20) 2556 0194/ 6606 9999

© Copyright, 2019 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents