

Press Release

Selvam Process
May 24, 2022



Rating Reaffirmed & Withdrawn and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Ratings Loan	0.06	-	ACUITE A4 Reaffirmed & Withdrawn Issuer not co-operating*
Bank Ratings Loan	22.10	ACUITE B Reaffirmed & Withdrawn Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	22.16	-	-

Rating Rationale

Acuite has reaffirmed & withdrawn the long-term rating of “**ACUITE B**” (read as ACUITE B) and the short-term rating of “ACUITE A4” (read as ACUITE A four) on the Rs. 22.16 Crore bank facilities of Selvam Process (SP). The rating withdrawal is in accordance with Acuite’s policy on withdrawal of rating. The rating is being withdrawn on account of request received from the company and NOC received from the banker. The rating is flagged as “Issuer Not-Cooperating”

About the Company

SP is a partnership firm engaged in dyeing of hosiery fabrics. The unit is located in Tirupur Tamilnadu with a capacity to process 250,000 kgs per month. It was promoted by Mr. R. Subramanian in 1990 and is currently managed by his son Mr. S. Govindrajan and Mrs. G Sudha.

Non-cooperation by the issuer/borrower

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer / borrower failed to submit such information before due date. Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is therefore being flagged as “Issuer not-cooperating”, in line with prevailing SEBI regulations and Acuite’s policies.

Limitation regarding information availability

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuite endeavored to gather information about the entity/industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivities

"No information provided by the issuer / available for Acuite to comment upon."

Material Covenants

None

Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

Outlook: Not Applicable

Key Financials:

The rated entity has not shared the latest financial statements despite repeated requests.

Status of non-cooperation with previous CRA

None

Any other information

None

Applicable Criteria

- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
09 Aug 2021	Term Loan	Long Term	3.50	ACUITE B (Issuer not co-operating*)
	Proposed Bank Facility	Long Term	2.10	ACUITE B (Issuer not co-operating*)
	Proposed Term Loan	Long Term	15.00	ACUITE B (Issuer not co-operating*)
	Bank Guarantee	Short Term	0.06	ACUITE A4 (Issuer not co-operating*)
	Term Loan	Long Term	0.25	ACUITE B (Issuer not co-operating*)
	Cash Credit	Long Term	1.25	ACUITE B (Issuer not co-operating*)
08 May 2020	Cash Credit	Long Term	1.25	ACUITE B (Downgraded and Issuer not co-operating*)
	Proposed Term Loan	Long Term	15.00	ACUITE B (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	0.06	ACUITE A4 (Issuer not co-operating*)
	Proposed Bank Facility	Long Term	2.10	ACUITE B (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	3.50	ACUITE B (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	0.25	ACUITE B (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	1.25	ACUITE B+ Stable (Upgraded from ACUITE B Stable)
	Term Loan	Long Term	3.50	ACUITE B+ Stable (Upgraded from ACUITE B Stable)

18 Feb 2019	Term Loan	Long Term	0.25	ACUITE B+ Stable (Upgraded from ACUITE B Stable)
	Proposed Bank Facility	Long Term	2.10	ACUITE B+ Stable (Upgraded from ACUITE B Stable)
	Bank Guarantee	Short Term	0.06	ACUITE A4 (Reaffirmed)
	Proposed Term Loan	Long Term	15.00	ACUITE B+ Stable (Assigned)
12 Jul 2018	Cash Credit	Long Term	1.25	ACUITE B Stable (Assigned)
	Proposed Bank Facility	Long Term	2.10	ACUITE B Stable (Assigned)
	Term Loan	Long Term	0.25	ACUITE B Stable (Assigned)
	Bank Guarantee	Short Term	0.06	ACUITE A4 (Assigned)
	Proposed Long Term Loan	Long Term	3.50	ACUITE B Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Tamilnad Mercantile Bank Limited	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	0.06	ACUITE A4 Reaffirmed & Withdrawn Issuer not co-operating*
Tamilnad Mercantile Bank Limited	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	1.25	ACUITE B Reaffirmed & Withdrawn Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	2.10	ACUITE B Reaffirmed & Withdrawn Issuer not co-operating*
Small Industries Development Bank of India	Not Applicable	Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE B Reaffirmed & Withdrawn Issuer not co-operating*
Small Industries Development Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	3.50	ACUITE B Reaffirmed & Withdrawn Issuer not co-operating*
Tamilnad Mercantile Bank Limited	Not Applicable	Term Loan	Not available	Not available	Not available	0.25	ACUITE B Reaffirmed & Withdrawn Issuer not co-operating*

Contacts

Analytical	Rating Desk
Aditya Gupta Vice President-Rating Operations Tel: 022-49294041 aditya.gupta@acuite.in	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuite.in
Rohan Gambhir Analyst-Rating Operations Tel: 022-49294065 rohan.gambhir@acuite.in	

About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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