

Press Release

SURYAAMBA SPINNING MILLS LIMITED

April 23, 2019

Rating Update



Total Bank Facilities Rated*	Rs. 46.53 Cr. #
Long Term Rating	ACUITE BB+ Issuer not co-operating*
Short Term Rating	ACUITE A4+ Issuer not co-operating*

Refer Annexure for details

* The issuer did not co-operate; Based on best available information.

Acuité has reviewed long-term rating of '**ACUITE BB+**' (read as **ACUITE BB plus**) and short term rating of '**ACUITE A4+**' (read as '**ACUITE A four plus**') on the Rs. 46.53 crore bank facilities of SURYAAMBA SPINNING MILLS LIMITED. This rating is now an indicative rating and is based on best available information.

The Nagpur-based Suryaamba Spinning Mills Limited (SSML) is engaged in manufacturing of specialty synthetic spun yarns. The company manufactures 100% polyester, viscose spun yarns and blended synthetic yarns used for weaving fabrics. It caters to both domestic markets and exports to Brazil, Egypt, USA and Bangladesh among others. Incorporated in 2007, SSML is ISO 9001:2008 certified organization, promoted by Mr. Virender Kumar Agarwal and family. The manufacturing unit is located in Nayakund (Nagpur) with an installed capacity of 43,500 spindles.

Non-cooperation by the issuer/borrower

Acuité 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.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>

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). Acuité endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

	Unit	FY18 (Actual)	FY17 (Actual)	FY16 (Actual)
Operating Income	Rs. Cr.	152.94	139.58	148.20
EBITDA	Rs. Cr.	14.82	11.91	13.06
PAT	Rs. Cr.	2.35	1.79	2.97
EBITDA Margin	(%)	9.69	8.53	8.81
PAT Margin	(%)	1.53	1.29	2.01
ROCE (%)	(%)	12.91	10.16	13.89

Total Debt/Tangible Net Worth	Times	1.98	1.53	1.31
PBDIT/Interest	Times	2.13	2.06	2.31
Total Debt/PBDIT	Times	3.42	3.92	2.98
Gross Current Assets (Days)	Days	91	96	86

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any other information

Not Applicable

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
24-Mar-2018	Cash Credit	Long Term	21.50	ACUITE BB+/Positive (Reaffirmed)
	Term Loan	Long Term	7.37	ACUITE BB+/Positive (Reaffirmed)
	Term Loan	Long Term	4.87	ACUITE BB+/Positive (Reaffirmed)
	Term Loan	Long Term	5.29	ACUITE BB+/Positive (Assigned)
	Proposed	Long Term	4.50	ACUITE BB+/Positive (Reaffirmed)
	Letter of Credit	Short Term	1.00	ACUITE A4+ (Reaffirmed)
	Bank Guarantee	Short Term	2.00	ACUITE A4+ (Reaffirmed)
17-Aug-2017	Cash Credit	Long Term	16.00	ACUITE BB+ / Stable (Downgraded)
	Cash Credit	Long Term	3.28	ACUITE BB+ / Stable (Downgraded)
	Term Loan	Long Term	10.40	ACUITE BB+ / Stable (Downgraded)
	Term Loan	Long Term	5.52	ACUITE BB+ / Stable (Downgraded)
	Bank Guarantee	Short Term	2.00	ACUITE A4+ (Downgraded)
	Letter of Credit	Short Term	1.00	ACUITE A4+ (Downgraded)
10-Sep-2016	Cash Credit	Long Term	16.00	ACUITE BBB- / Stable (Upgraded)
	Cash Credit	Long Term	3.28	ACUITE BBB- / Stable (Upgraded)
	Term Loan	Long Term	10.40	ACUITE BBB- / Stable (Upgraded)
	Term Loan	Long Term	5.52	ACUITE BBB- / Stable (Assigned)
	Bank Guarantee	Short Term	2.00	ACUITE A3 (Upgraded)
	Letter of Credit	Short Term	1.00	ACUITE A3 (Upgraded)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	21.50	ACUITE BB+ Issuer not co-operating*
Term loans	Not Applicable	Not Applicable	Not Applicable	7.37	ACUITE BB+ Issuer not co-operating*
Term loans	Not Applicable	Not Applicable	Not Applicable	4.87	ACUITE BB+ Issuer not co-operating*
Term loans	Not Applicable	Not Applicable	Not Applicable	5.29	ACUITE BB+ Issuer not co-operating*
Proposed	Not Applicable	Not Applicable	Not Applicable	4.50	ACUITE BB+ Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE A4+ Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4+ Issuer not co-operating*

*The issuer did not co-operate; Based on best available information.

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About Acuité Ratings & Research:

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