

Press Release
Sree Anandhakumar Mills Limited
 June 15, 2018
Rating Update



Total Bank Facilities Rated*	Rs. 34.21 Cr.
Long Term Rating	ACUITE B 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.

Rating Rationale

Acuité has reviewed long-term rating of '**ACUITE B**' (**read as ACUITE double B**) short-term rating of '**ACUITE A4**' (**read as ACUITE A4**) on the Rs.34.21 crore bank facilities of Sree Anandhakumar Mills Limited. This rating is now an indicative rating and is based on best available information.

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 required documents before due date.

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

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Infrastructure Entities - <https://acuite.in/view-rating-criteria-14.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 endeavored 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

Sree Anandhakumar Mills Limited (SAML) was incorporated in 1955 by Mr. Rathindran, Mr. Venkataram, Mr. S. Venkataswamy Naidu and others. The Coimbatore-based company is engaged in the manufacturing of cotton yarn and fabric. The day-to-day operations are led by Mr. Rathindran and Mr. Venkataram.

For FY2015-16, SAML registered profit after tax (PAT) of Rs.0.93 cr on operating income of Rs.58.95 cr as against profit after tax of Rs.1.24 cr on operating income of Rs.48.17 cr in FY2014-15. The networth of the firm stood at Rs.31.45 cr as on 31 March 2016 as compared to Rs.28.77 cr as on 31 March 2015.

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

None

Any other information

None

Note on complexity levels of the rated instrument

<https://www.acuite.in/criteria-complexity-levels.htm>

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
31st-March-2017	Cash Credit	Long Term	15.00	ACUITE B/Stable (Reaffirmed)
	Term Loan	Long Term	16.52	ACUITE B/Stable (Reaffirmed)
	Letter of Credit	Short Term	2.00	ACUITE A4 (Reaffirmed)
	Bank Guarantee	Short Term	0.69	ACUITE A4 (Reaffirmed)
2nd-March-2017	Cash Credit	Long Term	15.00	ACUITE B (Indicative)
	Term Loan	Long Term	16.52	ACUITE B (Indicative)
	Letter of Credit	Short Term	2.00	ACUITE A4 (Indicative)
	Bank Guarantee	Short Term	0.69	ACUITE A4 (Indicative)
17th-Nov-2015	Cash Credit	Long Term	15.00	ACUITE B/Stable (Assigned)
	Term Loan	Long Term	16.52	ACUITE B/Stable (Assigned)
	Letter of Credit	Short Term	2.00	ACUITE A4 (Assigned)
	Bank Guarantee	Short Term	0.69	ACUITE A4 (Assigned)

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE B (Indicative)
Term Loan	Not Applicable	Not Applicable	Not Applicable	16.52	ACUITE B (Indicative)
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4 (Indicative)
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	0.69	ACUITE A4 (Indicative)

Contacts

Analytical	Rating Desk
Suman Chowdhury President - Rating Operations Tel: 022-67141107 suman.chowdhury@acuite.in	Varsha Bist Manager - Rating Desk Tel: 022-67141160 rating.desk@acuite.in
Deep Majumder Analyst - Rating Operations Tel: 033-66201206 deep.majumder@acuiteratings.in	

About Acuité Ratings & Research:

Acuité Ratings & Research Limited (*Erstwhile SMERA Ratings Limited*) is a full-service Credit Rating Agency registered with the Securities and 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. Since then, it has assigned more than 6,000 credit 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 Mumbai.

Disclaimer: An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuité ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuité ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité.