

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

Acuite 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). 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.

About the rated entity

Sree Anandhakumar Mills Limited (SAML) was incorporated in 1955 by Mr. Rathindran, Mr. Venkataram, Mr. S. Venkatasawamy 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)

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About Acuite Ratings & Research:

Acuite 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.

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