

Press Release

Sri Saravana Spinning Mills Private Limited (SSSMPL)

23 February, 2018



Total Instruments Rated*	Rs 69.78 Cr
Long Term Rating	SMERA BBB/Stable (Withdrawn)
Short Term Rating	SMERA A2 (Withdrawn)

* Refer Annexure for details

Rating Rationale

SMERA has withdrawn the long term rating of '**SMERA BBB** (read as SMERA triple B) and the short term rating of '**SMERA A2** (read as SMERA A two) to the Rs. 69.78 crore facilities of Sri Saravana Spinning Mills Private Limited (SSSMPL). The rating withdrawal is in accordance with the SMERA's 'policy on withdrawal of rating.

About the Rated Entity

SSMPL, incorporated in 1984, is engaged in the manufacturing of yarn. The company operates through two units (for spinning and knitting and the other for dyeing) located at Dindigul district of Tamil Nadu. The spinning mill has an installed capacity of 32,256 spindles with production capacity of 1.54 crore kg of yarn per annum. The yarn manufactured is of count ranging from 30s to 40s mainly used for hosiery.

SSMPL reported profit after tax (PAT) of Rs.18.09 crore on operating income of Rs.231.12 crore for FY2014-15, compared to PAT of Rs.9.49 crore on operating income of Rs.226.69 crore in FY2013-14. The tangible net worth stood healthy at Rs.52.51 crore as on 31 March, 2015 as against Rs. 34.54 crore in the previous year

Status of non-cooperation with previous CRA (if applicable): Not Applicable

Any other information: Not Applicable

Rating History for the last three years:

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
October 28, 2017	Cash Credit	Long Term	43.75	SMERA BBB (Issuer not co-operating)
	Term Loan	Long Term	19.03	SMERA BBB (Issuer not co-operating)
	Bills Discounting	Short Term	5.00	SMERA A2 (Issuer not co-operating)
	Bank Guarantee	Short Term	2.00	SMERA A2 (Issuer not co-operating)
March 2, 2016	Cash Credit	Long Term	43.75	SMERA BBB (Assigned)

	Term Loan	Long Term	19.03	SMERA BBB (Assigned)
	Bills Discounting	Short Term	5.00	SMERA A2 (Assigned)
	Bank Guarantee	Short Term	2.00	SMERA A2 (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Cash Credit	N.A	N.A	N.A	43.75	SMERA BBB/Stable (Withdrawn)
Term Loan	N.A	N.A	N.A	19.03	SMERA BBB/Stable (Withdrawn)
Bills Discounting	N.A	N.A	N.A	5.00	SMERA A2 (Withdrawn)
Bank Guarantee	N.A	N.A	N.A	2.00	SMERA A2 (Withdrawn)

Note on complexity levels of the rated instrument:
<https://www.smerra.in/criteria-complexity-levels.htm>
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ABOUT SMERA

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