

Press Release
SALONA COTSPIN LIMITED
September 05, 2025
Rating Reaffirmed and Issuer not co-operating



Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	72.00	ACUITE C Reaffirmed Issuer not co-operating*	-
Bank Loan Ratings	78.00	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	150.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

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

Rating Rationale

Acuite has reaffirmed the long-term rating of ‘**ACUITE C**’ (read as **ACUITE C**) and the short term rating of ‘**ACUITE A4**’ (read as **ACUITE A four**) on the Rs. 150.00 Cr bank facilities of Salona Cotspin Limited (SCL). The rating continues to be flagged as “Issuer Not Cooperating” and is based on the best available information.

About the Company

Salona Cotspin Limited (SCL), based in Coimbatore, was incorporated in 1996. The company is led by Mr. Shyamlal Agarwala (Managing Director) and Mr. Manoj Kumar Jhajharia (Joint Managing Director). SCL is engaged in the manufacturing and selling of cotton yarn, knitted fabrics and garments at Erode (Tamil Nadu). The company caters to both domestic and international markets. The company has installed capacity of 24,336 spindles and also owns windmills and solar plant for captive power generation and consumption, at various location in Tamil Nadu.

Unsupported Rating

Not Applicable

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 the 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

This rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower) . Acuite endeavoured to gather information about the entity/industry from the public domain. Any rating with the suffix 'Issuer not cooperating' is assigned without any management interaction with the issuer entity or any data / information from the entity. Sometimes this non co-operation by a rated entity may be due to a result of deterioration in the credit risk profile of the entity. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivity

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

Liquidity Position

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

Outlook

Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 24 (Actual)	FY 23 (Actual)
Operating Income	Rs. Cr.	722.26	486.91
PAT	Rs. Cr.	6.13	17.57
PAT Margin	(%)	0.85	3.61
Total Debt/Tangible Net Worth	Times	3.22	2.12
PBDIT/Interest	Times	2.00	3.74

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Trading Entities: <https://www.acuite.in/view-rating-criteria-61.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuité's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
07 Jun 2024	Bills Discounting	Short Term	50.00	ACUITE A4 (Downgraded & Issuer not co-operating* from ACUITE A4+)
	Proposed Short Term Bank Facility	Short Term	8.00	ACUITE A4 (Downgraded & Issuer not co-operating* from ACUITE A4+)
	Bills Discounting	Short Term	5.00	ACUITE A4 (Downgraded & Issuer not co-operating* from ACUITE A4+)
	Bills Discounting	Short Term	12.00	ACUITE A4 (Downgraded & Issuer not co-operating* from ACUITE A4+)
	Bills Discounting	Short Term	3.00	ACUITE A4 (Downgraded & Issuer not co-operating* from ACUITE A4+)
	Term Loan	Long Term	4.03	ACUITE C (Downgraded & Issuer not co-operating* from ACUITE BB+)
	Working Capital Term Loan	Long Term	2.76	ACUITE C (Downgraded & Issuer not co-operating* from ACUITE BB+)
	Working Capital Term Loan	Long Term	0.59	ACUITE C (Downgraded & Issuer not co-operating* from ACUITE BB+)
	Proposed Long Term Bank Facility	Long Term	3.43	ACUITE C (Downgraded & Issuer not co-operating* from ACUITE BB+)
	Working Capital Term Loan	Long Term	0.91	ACUITE C (Downgraded & Issuer not co-operating* from ACUITE BB+)
	Working Capital Term Loan	Long Term	3.77	ACUITE C (Downgraded & Issuer not co-operating* from ACUITE BB+)
	Term Loan	Long Term	4.20	ACUITE C (Downgraded & Issuer not co-operating* from ACUITE BB+)
	Working Capital Term Loan	Long Term	0.23	ACUITE C (Downgraded & Issuer not co-operating* from ACUITE BB+)
	Working Capital Term Loan	Long Term	0.79	ACUITE C (Downgraded & Issuer not co-operating* from ACUITE BB+)
	Term Loan	Long Term	5.73	ACUITE C (Downgraded & Issuer not co-operating* from ACUITE BB+)
	Cash Credit	Long Term	20.00	ACUITE C (Downgraded & Issuer not co-operating* from ACUITE BB+)
	Cash Credit	Long Term	0.50	ACUITE C (Downgraded & Issuer not co-operating* from ACUITE BB+)
	Cash Credit	Long Term	14.00	ACUITE C (Downgraded & Issuer not co-operating* from ACUITE BB+)
	Secured Overdraft	Long Term	7.50	ACUITE C (Downgraded & Issuer not co-operating* from ACUITE BB+)
	Cash Credit	Long Term	3.56	ACUITE C (Downgraded & Issuer not co-operating* from ACUITE BB+)
	Bills Discounting	Short Term	50.00	ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A3+)
	Proposed Short Term Bank Facility	Short Term	8.00	ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A3+)
	Bills Discounting	Short Term	5.00	ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A3+)
	Bills Discounting	Short Term	12.00	ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A3+)
	Bills Discounting	Short Term	3.00	ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A3+)
	Term Loan	Long Term	5.73	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB Stable)
	Cash Credit	Long Term	20.00	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB Stable)
	Cash Credit	Long Term	0.50	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB Stable)
	Cash Credit	Long Term	14.00	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB Stable)

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13 Dec 2023	Secured Overdraft	Long Term	7.50	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB Stable)
	Cash Credit	Long Term	3.56	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB Stable)
	Term Loan	Long Term	4.03	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB Stable)
	Working Capital Term Loan	Long Term	2.76	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB Stable)
	Working Capital Term Loan	Long Term	0.59	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB Stable)
	Proposed Long Term Bank Facility	Long Term	3.43	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB Stable)
	Working Capital Term Loan	Long Term	0.91	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB Stable)
	Working Capital Term Loan	Long Term	3.77	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB Stable)
	Term Loan	Long Term	4.20	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB Stable)
	Working Capital Term Loan	Long Term	0.23	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB Stable)
	Working Capital Term Loan	Long Term	0.79	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB Stable)
19 Oct 2022	Bills Discounting	Short Term	50.00	ACUITE A3+ (Reaffirmed)
	Proposed Short Term Bank Facility	Short Term	8.00	ACUITE A3+ (Reaffirmed)
	Bills Discounting	Short Term	5.00	ACUITE A3+ (Reaffirmed)
	Bills Discounting	Short Term	12.00	ACUITE A3+ (Reaffirmed)
	Bills Discounting	Short Term	3.00	ACUITE A3+ (Reaffirmed)
	Term Loan	Long Term	5.73	ACUITE BBB Stable (Reaffirmed)
	Cash Credit	Long Term	20.00	ACUITE BBB Stable (Reaffirmed)
	Cash Credit	Long Term	0.50	ACUITE BBB Stable (Reaffirmed)
	Cash Credit	Long Term	14.00	ACUITE BBB Stable (Reaffirmed)
	Secured Overdraft	Long Term	7.50	ACUITE BBB Stable (Reaffirmed)
	Cash Credit	Long Term	3.56	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	4.03	ACUITE BBB Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	2.76	ACUITE BBB Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	0.59	ACUITE BBB Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	3.43	ACUITE BBB Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	0.91	ACUITE BBB Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	3.77	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	4.20	ACUITE BBB Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	0.23	ACUITE BBB Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	0.79	ACUITE BBB Stable (Reaffirmed)

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

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
HDFC Bank Ltd	Not avl. / Not appl.	Bills Discounting	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	50.00	Simple	ACUITE A4 Reaffirmed Issuer not co-operating*
CSB Bank Limited	Not avl. / Not appl.	Bills Discounting	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.00	Simple	ACUITE A4 Reaffirmed Issuer not co-operating*
State Bank of India	Not avl. / Not appl.	Bills Discounting	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	3.00	Simple	ACUITE A4 Reaffirmed Issuer not co-operating*
Union Bank of India	Not avl. / Not appl.	Bills Discounting	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	12.00	Simple	ACUITE A4 Reaffirmed Issuer not co-operating*
HDFC Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	20.00	Simple	ACUITE C Reaffirmed Issuer not co-operating*
CSB Bank Limited	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.50	Simple	ACUITE C Reaffirmed Issuer not co-operating*
Union Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	14.00	Simple	ACUITE C Reaffirmed Issuer not co-operating*
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	3.56	Simple	ACUITE C Reaffirmed Issuer not co-operating*
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	3.43	Simple	ACUITE C Reaffirmed Issuer not co-operating*
Not Applicable	Not avl. / Not appl.	Proposed Short Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	8.00	Simple	ACUITE A4 Reaffirmed Issuer not co-operating*
CSB Bank Limited	Not avl. / Not appl.	Secured Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	7.50	Simple	ACUITE C Reaffirmed Issuer not co-operating*
HDFC Bank Ltd	Not avl. / Not appl.	Term Loan	16 Jun 2021	Not avl. / Not appl.	15 Mar 2023	4.03	Simple	ACUITE C Reaffirmed Issuer not co-operating*
HDFC Bank Ltd	Not avl. / Not appl.	Term Loan	16 Jun 2021	Not avl. / Not appl.	15 Mar 2027	5.73	Simple	ACUITE C Reaffirmed Issuer not co-operating*
State Bank of India	Not avl. / Not appl.	Term Loan	30 Dec 2020	Not avl. / Not appl.	31 Dec 2031	4.20	Simple	ACUITE C Reaffirmed Issuer not co-operating*
State Bank of India	Not avl. / Not appl.	Working Capital Term Loan	30 Mar 2020	Not avl. / Not appl.	11 Aug 2021	0.23	Simple	ACUITE C Reaffirmed Issuer not co-operating*
State Bank of India	Not avl. / Not appl.	Working Capital Term Loan	12 Aug 2020	Not avl. / Not appl.	11 Jul 2024	0.79	Simple	ACUITE C Reaffirmed Issuer not co-operating*
HDFC Bank Ltd	Not avl. / Not appl.	Working Capital Term Loan	16 Jun 2021	Not avl. / Not appl.	15 Jun 2022	0.59	Simple	ACUITE C Reaffirmed Issuer not co-operating*
HDFC Bank Ltd	Not avl. / Not appl.	Working Capital Term Loan	16 Jun 2021	Not avl. / Not appl.	15 Jun 2024	2.76	Simple	ACUITE C Reaffirmed Issuer not co-operating*
Union Bank of India	Not avl. / Not appl.	Working Capital Term Loan	12 Nov 2020	Not avl. / Not appl.	11 Apr 2022	0.91	Simple	ACUITE C Reaffirmed Issuer not co-operating*

Union Bank of India	Not avl. / Not appl.	Working Capital Term Loan	12 Nov 2020	Not avl. / Not appl.	11 Oct 2024	3.77	Simple	ACUITE C Reaffirmed Issuer not co-operating*
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Disclosure of list of non-cooperative issuers

- Listed :- https://www.acuite.in/Non-Cooperative_Issuer_Listed.php
- Unlisted :- https://www.acuite.in/Non-Cooperative_Issuer_Unlisted.php

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