

Press Release

Sri Selvam Textiles

June 12, 2020

Rating Review



Total Bank Facilities Rated*	Rs. 13.89 Cr. #
Long Term Rating	ACUITE B+ (Downgraded from ACUITE BB-/Stable) Issuer not co-operating*

Refer Annexure for details

*Issuer did not co-operate; based on best available information

Rating Rationale

Acuité has downgraded the long-term rating to '**ACUITE B+**' (read as **ACUITE B plus**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) on the Rs.13.89 crores bank facilities of Sri Selvam Textiles (SST). This rating is now an indicative rating and is based on best available information. Further, the downgrade is on account of information risk.

Coimbatore (Tamil Nadu) based, Sri Selvam Textiles (SST) was established as a proprietorship firm in 1983 by Mr. N. Selvam. The firm is engaged in manufacturing of cotton yarn. The firm has an installed capacity of 2300 tons per annum.

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/view-rating-criteria-52.htm>
- Manufacturing Entities – <https://www.acuite.in/view-rating-criteria-59.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 - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

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

Not Applicable

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
29-March-2019	Term Loans	Long Term	3.33	ACUITE BB- /Stable (Reaffirmed)
	Term Loans	Long Term	0.73	ACUITE BB- /Stable (Reaffirmed)
	Term Loans	Long Term	0.57	ACUITE BB- /Stable (Reaffirmed)
	Term Loans	Long Term	0.17	ACUITE BB- /Stable (Reaffirmed)
	Term Loans	Long Term	1.20	ACUITE BB- /Stable (Assigned)
	Proposed Bank Facility	Long Term	3.00	ACUITE BB- /Stable (Assigned)
	Cash Credit	Long Term	3.50	ACUITE BB- /Stable (Assigned)
	Term Loans	Long Term	1.30	ACUITE BB- /Stable (Assigned)
	Proposed Bank Facility	Long Term	0.09	ACUITE BB- /Stable (Assigned)
27-June-2018	Term Loans	Long Term	4.03	ACUITE BB- /Stable (Assigned)
	Term Loans	Long Term	0.94	ACUITE BB- /Stable (Assigned)
	Term Loans	Long Term	0.74	ACUITE BB- /Stable (Assigned)
	Term Loans	Long Term	0.31	ACUITE BB- /Stable (Assigned)

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Term Loans	Not Available	Not Applicable	Not Available	3.33	ACUITE B+ Issuer not co-operating* (Downgraded from ACUITE BB-/Stable)
Term Loans	Not Available	Not Applicable	Not Available	0.73	ACUITE B+ Issuer not co-operating* (Downgraded from ACUITE BB-/Stable)
Term Loans	Not Available	Not Applicable	Not Available	0.57	ACUITE B+ Issuer not co-operating* (Downgraded from ACUITE BB-/Stable)
Term Loans	Not Available	Not Applicable	Not Available	0.17	ACUITE B+ Issuer not co-operating* (Downgraded from ACUITE BB-/Stable)

					/Stable)
Term Loans	Not Available	Not Applicable	Not Available	1.20	ACUITE B+ Issuer not co-operating* (Downgraded from ACUITE BB-/Stable)
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE B+ Issuer not co-operating* (Downgraded from ACUITE BB-/Stable)
Cash Credit	Not Applicable	Not Applicable	Not Applicable	3.50	ACUITE B+ Issuer not co-operating* (Downgraded from ACUITE BB-/Stable)
Term Loans	Not Available	Not Applicable	Not Available	1.30	ACUITE B+ Issuer not co-operating* (Downgraded from ACUITE BB-/Stable)
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	0.09	ACUITE B+ Issuer not co-operating* (Downgraded from ACUITE BB-/Stable)

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

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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.

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