

Press Release

Sathuragiri Softex India Private Limited

August 18, 2021



Rating Withdrawn

Total Bank Facilities Rated*	Rs.28.50 Cr.
Long Term Rating	ACUITE B+ (Withdrawn; Issuer not co-operating*)

* Refer Annexure for details

Rating Rationale

Acuité has withdrawn the long term rating of '**ACUITE B+** (**read as ACUITE B Plus**)' on the Rs.28.50 crore bank facilities of Sathuragiri Softex India Private Limited (SSIPL). The rating withdrawal is in accordance with the Acuité's policy on withdrawal of rating.

The rating is being withdrawn on account of request received from the company and NOC received from the banker.

About the company

SSIPL was incorporated by Mr. Kunnathur Selambanna Ponnusamy and his family in May 2017. However, the commercial production commenced from December 2017. SSI is engaged in manufacturing of 100 per cent combed cotton yarn with counts ranging from 10s to 40s. The manufacturing facility is located in Tamil Nadu with spinning capacity of 7000 spindles.

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.

Analytical Approach

Acuité has considered the standalone business and financial risk profiles of SSIPL to arrive at the rating.

Applicable Criteria

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

Note on complexity levels of the rated instrument

<https://www.acuite.in/view-rating-criteria-55.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.

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

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

About the Rated Entity - Key Financials (Standalone)

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

Status of non-cooperation with previous CRA

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	Ratings/Outlook
			(Rs. Crore)	
28-Dec-2020	Cash Credit	Long term	6.92	ACUITE B+ (Indicative) (Downgraded from ACUITE BB-)
	Term Loan	Long term	9.67	ACUITE B+ (Indicative) (Downgraded from ACUITE BB-)
	Proposed Term Loan	Long term	4.00	ACUITE B+ (Indicative) (Downgraded from ACUITE BB-)
	Proposed Term Loan	Long term	2.00	ACUITE B+ (Indicative) (Downgraded from ACUITE BB-)
	Proposed Cash Credit	Long term	3.00	ACUITE B+ (Indicative) (Downgraded from ACUITE BB-)
	Proposed Bank Facility	Long term	2.91	ACUITE B+ (Indicative) (Downgraded from ACUITE BB-)
07-Oct-2019	Cash Credit	Long term	6.92	ACUITE BB-/Stable (Reaffirmed)
	Term Loan	Long term	9.67	ACUITE BB-/Stable (Reaffirmed)
	Proposed Term Loan	Long term	4.00	ACUITE BB-/Stable (Assigned)
	Proposed Term Loan	Long term	2.00	ACUITE BB-/Stable (Assigned)
	Proposed Cash Credit	Long term	3.00	ACUITE BB-/Stable (Assigned)
	Proposed Bank Facility	Long term	2.91	ACUITE BB-/Stable (Reaffirmed)
25-Jan-2019	Cash Credit	Long term	6.92	ACUITE BB-/Stable (Assigned)
	Term Loan	Long term	9.67	ACUITE BB-/Stable (Assigned)
	Proposed Cash Credit	Long term	4.41	ACUITE BB-/Stable (Assigned)

*Annexure – Details of instruments rated

Lender's Name	Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
SIDBI	Cash Credit	Not Applicable	Not Applicable	Not Applicable	9.92	ACUITE B+ (Indicative and Withdrawn)
SIDBI	Term Loan	Not Available	Not Available	Not Available	9.67	ACUITE B+ (Indicative and Withdrawn)

Not Applicable	Proposed Term Loan	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE B+ (Indicative and Withdrawn)
Not Applicable	Proposed Term Loan	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE B+ (Indicative and Withdrawn)
Not Applicable	Proposed Bank Facilities	Not Applicable	Not Applicable	Not Applicable	2.91	ACUITE B+ (Indicative and Withdrawn)

Contacts

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About Acuité Ratings & Research

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