



Press Release
SELVI SPINNING MILL
February 11, 2025
Rating Reaffirmed, Withdrawn & Issuer Not Cooperating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	8.79	ACUITE B Reaffirmed & Withdrawn Issuer not co-operating*	-
Bank Loan Ratings	3.00	Not Applicable Withdrawn	-
Bank Loan Ratings	0.09	-	ACUITE A4 Reaffirmed & Withdrawn Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	11.88	-	-
* The issuer did not co-operate; based on best available information.			

Rating Rationale

Acuite has reaffirmed and withdrawn its long-term rating of '**ACUITE B**' (read as **ACUITE Ba**) and the short-term rating of '**ACUITE A4**' (read as **ACUITE A Four**) on Rs.8.88 Cr. bank facilities of Selvi Spinning Mill. The rating has been withdrawn on account of the request received from the company and the NOC (No Objection Certificate) received from the banker.

Acuite has withdrawn its rating on the proposed long-term facilities of Rs.3.00 Cr. of Selvi Spinning Mill without assigning any rating as it is a proposed facility. The rating has been withdrawn on account of the request received from the company.

The rating continues to be flagged as "Issuer Not Cooperating" and is based on the best available information.

The rating has been withdrawn as per Acuite's policy of withdrawal of ratings as applicable to the respective instrument/facility.

About the Company

Tamil Nadu based Selvi Spinning Mill (SSM), established in 1999 by Mr. K.R. Subramanian, is a Coimbatore based proprietorship firm. Currently, the day to day operations are managed by Mr. Ranjith Subramanian (Son of Mr. K.R. Subramanian). SSM is engaged in manufacturing of cotton yarn with an average count of 60s. SSM has total 12768 spindles. SSM also has two windmills one with 750 KW and another with 800 KW and the complete power from these windmill is used for own consumption. The concern procures raw cotton from Maharashtra, Telangana and Tamil Nadu and sells yarn through dealers in Coimbatore and Mumbai.

Unsupported Rating

Not Applicable

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 the due date. Acuité believes that information risk is a critical component in such ratings, and non co-operation 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 Acuité’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, Acuité 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 18 (Actual)	FY 17 (Actual)
Operating Income	Rs. Cr.	14.32	11.02
PAT	Rs. Cr.	0.78	1.77
PAT Margin	(%)	5.48	16.07
Total Debt/Tangible Net Worth	Times	1.11	1.15
PBDIT/Interest	Times	4.52	7.39

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>
- 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
10 Sep 2024	Bank Guarantee/Letter of Guarantee	Short Term	0.09	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	4.50	ACUITE B (Downgraded & Issuer not co-operating* from ACUITE B+)
	Term Loan	Long Term	0.25	ACUITE B (Downgraded & Issuer not co-operating* from ACUITE B+)
	Term Loan	Long Term	1.25	ACUITE B (Downgraded & Issuer not co-operating* from ACUITE B+)
	Term Loan	Long Term	1.04	ACUITE B (Downgraded & Issuer not co-operating* from ACUITE B+)
	Term Loan	Long Term	1.75	ACUITE B (Downgraded & Issuer not co-operating* from ACUITE B+)
	Proposed Term Loan	Long Term	3.00	ACUITE B (Downgraded & Issuer not co-operating* from ACUITE B+)
13 Jun 2023	Bank Guarantee/Letter of Guarantee	Short Term	0.09	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Proposed Term Loan	Long Term	3.00	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	1.75	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	1.04	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	1.25	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	0.25	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	4.50	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
28 Mar 2022	Bank Guarantee/Letter of Guarantee	Short Term	0.09	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	0.25	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	1.25	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	4.50	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	1.04	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	1.75	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Proposed Long Term Loan	Long Term	3.00	ACUITE B+ (Reaffirmed & Issuer not co-operating*)

* 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
Indian Overseas Bank	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.09	Simple	ACUITE A4 Reaffirmed & Withdrawn Issuer not co-operating*
Indian Overseas Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	4.50	Simple	ACUITE B Reaffirmed & Withdrawn Issuer not co-operating*
Not Applicable	Not avl. / Not appl.	Proposed Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	3.00	Simple	Not Applicable Withdrawn
Indian Overseas Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.25	Simple	ACUITE B Reaffirmed & Withdrawn Issuer not co-operating*
Indian Overseas Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.25	Simple	ACUITE B Reaffirmed & Withdrawn Issuer not co-operating*
Small Industries Development Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.04	Simple	ACUITE B Reaffirmed & Withdrawn Issuer not co-operating*
Small Industries Development Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.75	Simple	ACUITE B Reaffirmed & Withdrawn Issuer not co-operating*

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

Contacts

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About Acuité Ratings & Research

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