



**Press Release**  
**SWIFT MERCHANDISE**  
**February 12, 2025**  
**Rating Downgraded, Reaffirmed and Issuer not co-operating**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	31.16	ACUITE BB   Downgraded   Issuer not co-operating*	-
Bank Loan Ratings	27.60	-	ACUITE A4+   Reaffirmed   Issuer not co-operating*
<b>Total Outstanding Quantum (Rs. Cr)</b>	58.76	-	-
<b>Total Withdrawn Quantum (Rs. Cr)</b>	0.00	-	-

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

**Rating Rationale**

Acuite has downgraded its long-term rating to 'ACUITE BB' (read as ACUITE double Bf) from 'ACUITE BB+' (read as ACUITE double B plus) and reaffirmed its short-term rating to 'ACUITE A4+' (read as ACUITE A four plus) on the Rs. 58.76 Cr. bank facilities of Swift Merchandise (SM). The rating is now flagged as “Issuer Not-Cooperating” and is based on the best information available. The downgrade is on account of information risk.

**About the Company**

Incorporated in 2007, Swift Merchandise (SM) is the manufacturer and exporter of knitted garments. The firm has a wide range of products available including sweater, jackets, hats, etc. The manufacturing plants are located in Vijayamangalam, Tirupur and Somanpur with 800 sewing machines, 4 printing machineries and 5 embroidery machineries. The majority of the garments (~65% in FY23) are exported to branded retail outlets in UK and US. Furthermore, the major raw material i.e. yarns and fabric is procured from the companies based out in various locations of Southern India. The partners of the company are Mr. P. Gandhi and Ms. V. Revathi.

**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

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, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

### **Rating Sensitivities**

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 23 (Provisional)	FY 22 (Actual)
Operating Income	Rs. Cr.	123.29	153.91
PAT	Rs. Cr.	6.57	6.77
PAT Margin	(%)	5.33	4.40
Total Debt/Tangible Net Worth	Times	0.73	1.61
PBDIT/Interest	Times	5.04	5.37

### Status of non-cooperation with previous CRA

Not Applicable

### Any other information

None

### Applicable Criteria

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

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
16 Nov 2023	Packing Credit	Short Term	22.00	ACUITE A4+ (Assigned)
	FBN/FBP/FBD/PSFC/FBE	Short Term	3.00	ACUITE A4+ (Assigned)
	Proposed Short Term Bank Facility	Short Term	2.60	ACUITE A4+ (Assigned)
	Term Loan	Long Term	5.20	ACUITE BB+   Stable (Assigned)
	Covid Emergency Line.	Long Term	2.56	ACUITE BB+   Stable (Assigned)
	Term Loan	Long Term	13.40	ACUITE BB+   Stable (Assigned)
	Proposed Term Loan	Long Term	10.00	ACUITE BB+   Stable (Assigned)

# Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
South Indian Bank	Not avl. / Not appl.	Covid Emergency Line.	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	2.56	Simple	ACUITE BB   Downgraded   Issuer not co-operating* (from ACUITE BB+ )
South Indian Bank	Not avl. / Not appl.	FBN/FBP/FBD/PSFC/FBE	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	3.00	Simple	ACUITE A4+   Reaffirmed   Issuer not co-operating*
South Indian Bank	Not avl. / Not appl.	Packing Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	22.00	Simple	ACUITE A4+   Reaffirmed   Issuer not co-operating*
South Indian Bank	Not avl. / Not appl.	Proposed Short Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	2.60	Simple	ACUITE A4+   Reaffirmed   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.	10.00	Simple	ACUITE BB   Downgraded   Issuer not co-operating* (from ACUITE BB+ )
South Indian Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.20	Simple	ACUITE BB   Downgraded   Issuer not co-operating* (from ACUITE BB+ )
Small Industries Development Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	13.40	Simple	ACUITE BB   Downgraded   Issuer not co-operating* (from ACUITE BB+ )

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

## Contacts

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### About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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