

## Sri Kumaran Mills Private Limited

June 24, 2024

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	16.13	CARE C; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	0.90	CARE A4; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1

\*Issuer did not cooperate; based on best available information.

### Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated April 10, 2023, placed the rating(s) of Sri Kumaran Mills Private Limited (SKMPL) under the 'issuer non-cooperating' category as SKMPL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. SKMPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated February 24, 2024, March 05, 2024, March 15, 2024.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

**Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).**

**Analytical approach:** Standalone

**Outlook:** Stable

### Detailed description of the key rating drivers:

Please refer to PR dated [April 10, 2023](#)

### Applicable criteria

[CARE Ratings' criteria on information adequacy risk and issuer non-cooperation](#)

[Policy on default recognition](#)

[Criteria on Assigning 'Outlook' or 'Rating Watch' to Credit Ratings](#)

### About the company

Sri Kumaran Mills Private Limited (SKMPL), was incorporated in 1935 as a Public Limited company by Mr. G.V. Doraiswamy Naidu and further change in constitution to Private Limited Company in June 2016. Presently SKMPL is run by Mr. D. Krishna Murthy, Mrs. Rajini Krishnamurthy, Mr. K. Harish Kapil and Mr. M. C. Ramamirtham. The company is engaged in manufacturing of cotton yarn spindles at its manufacturing unit located at Coimbatore, Tamil Nadu. The manufacturing process includes ginning of raw cotton, blending, carding, combing, drawing out, twisting and spinning.

Brief Financials (Rs. crore)	March 31, 2022 (A)	March 31, 2023 (A)
Total operating income	91.71	37.86
PBILDT	4.34	-2.70
PAT	0.35	-2.86
Overall gearing (times)	13.40	NM
Interest coverage (times)	2.44	NM

A: Audited, NM – not meaningful, Note: 'the above results are latest financial results available'

**Status of non-cooperation with previous CRA:** Brickwork has continued the rating assigned to the bank facilities of SKMPL into Issuer Not Cooperating category vide press release dated September 13, 2023 on account of its inability to carry out a review in the absence of the requisite information.

**Any other information:** Not applicable

**Rating history for last three years:** Please refer Annexure-2

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

**Covenants of rated instrument / facility:** Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

**Complexity level of various instruments rated:** Annexure-4

**Lender details:** Annexure-5

#### Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Buyers Credit	-	-	-	-	0.36	CARE C; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit	-	-	-	-	8.75	CARE C; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan	-	-	-	September 2023	7.02	CARE C; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee	-	-	-	-	0.90	CARE A4; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; based on best available information.

#### Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Term Loan	LT	7.02	CARE C; Stable; ISSUER NOT COOPERATING*	-	1)CARE C; Stable; ISSUER NOT COOPERATING* (10-Apr-23)	-	1)CARE C; Stable; ISSUER NOT COOPERATING* (27-Jan-22)
2	Fund-based - LT-Cash Credit	LT	8.75	CARE C; Stable; ISSUER NOT COOPERATING*	-	1)CARE C; Stable; ISSUER NOT COOPERATING* (10-Apr-23)	-	1)CARE C; Stable; ISSUER NOT COOPERATING* (27-Jan-22)
3	Non-fund-based - ST-Bank Guarantee	ST	0.90	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (10-Apr-23)	-	1)CARE A4; ISSUER NOT COOPERATING* (27-Jan-22)
4	Fund-based - LT-Buyers Credit	LT	0.36	CARE C; Stable; ISSUER NOT COOPERATING*	-	1)CARE C; Stable; ISSUER NOT COOPERATING* (10-Apr-23)	-	1)CARE C; Stable; ISSUER NOT COOPERATING* (27-Jan-22)

\*Issuer did not cooperate; based on best available information.

LT: Long term; ST: Short term

**Annexure-3: Detailed explanation of covenants of the rated instruments/facilities:** Not applicable

**Annexure-4: Complexity level of the various instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Buyers Credit	Simple
2	Fund-based - LT-Cash Credit	Simple
3	Fund-based - LT-Term Loan	Simple
4	Non-fund-based - ST-Bank Guarantee	Simple

**Annexure-5: Lender details**

To view the lender wise details of bank facilities please [click here](#)

**Note on the complexity levels of the rated instruments:** CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for any clarifications.

**Contact us**

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