

## Chola Spinning Mills Private Limited

December 05, 2025

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	158.06	CARE B+; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Downgraded from CARE BB-; Stable
Short Term Bank Facilities	2.61	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 Limited (CareEdge Ratings) had, vide its press release dated October 14, 2024, placed the rating(s) of Chola Spinning Mills Private Limited (CSMPL) under the 'issuer non-cooperating' category as CSMPL had failed to provide information for monitoring of the rating as agreed to in its Rating Agreement. CSMPL continues to be non-cooperative despite repeated requests for submission of information through e-mails dated August 30, 2025, September 09, 2025, September 19, 2025 among others.

In line with the extant SEBI guidelines, CareEdge Ratings has reviewed the rating on the basis of the best available information which however, in CareEdge Ratings 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).**

The ratings assigned to the bank facilities of CSMPL have been revised on account of non-availability of requisite information.

**Analytical approach:** Standalone

**Outlook:** Stable

### Detailed description of the key rating drivers:

Please refer to PR dated [October 14, 2024](#)

### Applicable criteria

[Criteria on Information Adequacy Risk and Issuer Non-Cooperation](#)

[CARE Ratings' Policy on Default Recognition](#)

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

### About the company

Chola Spinning Mills Private Limited (CSMPL) was incorporated in October 1996 and is engaged in manufacture and sale of 100% viscose yarn. CSMPL, located at Veppadai, Erode, has installed capacity of 80,352 spindles and 4 vortex machines as on March 31, 2021. The company produces 100% viscose yarn in the count range of 10s to 30s (mainly 30s) with entire sales domestically. CSMPL has 7 windmills of cumulative capacity 4.5 MW catering to around 60% of its power requirements.

**Status of non-cooperation with previous CRA:** CRISIL has moved the rating assigned to the bank facilities of CSMPL into Issuer Not Cooperating category vide press release dated April 17, 2025 on account of its inability to carry out a review in the absence of requisite information

**Any other information:** Not applicable

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

**Covenants of rated instrument / facility:** Annexure-3

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

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

**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 and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	45.00	CARE B+; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	March 2029	113.06	CARE B+; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-BG/LC		-	-	-	2.61	CARE A4; ISSUER NOT COOPERATING*

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

**Annexure-2: Rating history for 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 2025-2026	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
1	Fund-based - LT-Term Loan	LT	113.06	CARE B+; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (14-Oct-24)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (10-Aug-23)	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (13-Jul-22)
2	Fund-based - LT-Cash Credit	LT	45.00	CARE B+; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (14-Oct-24)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (10-Aug-23)	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (13-Jul-22)
3	Non-fund-based - ST-BG/LC	ST	2.61	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (14-Oct-24)	1)CARE A4; ISSUER NOT COOPERATING* (10-Aug-23)	1)CARE A4+; ISSUER NOT COOPERATING* (13-Jul-22)

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

LT: Long term; ST: Short term

**Annexure-3: Detailed explanation of covenants of rated instruments/facilities:** Not applicable**Annexure-4: Complexity level of instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - ST-BG/LC	Simple

### **Annexure-5: Lender details**

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

**Note on complexity levels of rated instruments:** CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

### Contact us

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