



Press Release

Shri Dhanalakshmi Spinntex Private Limited (SDSPL)

April 18, 2025

Ratings:

Instrument / Facility	Amount (INR Crore)	Current Ratings	Previous Ratings	Rating Action	<u>Complexity Indicator</u>
Long Term Bank Facilities – Cash Credit	18.00	IVR BB+/Negative; ISSUER NOT COOPERATING* (IVR Double B Plus with Negative outlook; ISSUER NOT COOPERATING*)	IVR BBB-/Negative; ISSUER NOT COOPERATING* (IVR Triple B Minus with Negative outlook; ISSUER NOT COOPERATING*)	Rating downgraded and continued under Issuer Not Cooperating category	Simple
Long Term Bank Facilities – Term Loans	54.05	IVR BB+/Negative; ISSUER NOT COOPERATING* (IVR Double B Plus with Negative outlook; ISSUER NOT COOPERATING*)	IVR BBB-/Negative; ISSUER NOT COOPERATING* (IVR Triple B Minus with Negative outlook; ISSUER NOT COOPERATING*)	Rating downgraded and continued under Issuer Not Cooperating category	Simple
Long Term Bank Facilities – GECL	18.24	IVR BB+/Negative; ISSUER NOT COOPERATING* (IVR Double B Plus with Negative outlook; ISSUER NOT COOPERATING*)	IVR BBB-/Negative; ISSUER NOT COOPERATING* (IVR Triple B Minus with Negative outlook; ISSUER NOT COOPERATING*)	Rating downgraded and continued under Issuer Not Cooperating category	Simple
Short Term Bank Facilities – Letter of Credit	9.00	IVR A4+; ISSUER NOT COOPERATING* (IVR A Four Plus; ISSUER NOT COOPERATING*)	IVR A3; ISSUER NOT COOPERATING* (IVR A Three; ISSUER NOT COOPERATING*)	Rating downgraded and continued under Issuer Not Cooperating category	Simple
Total	99.29 (Rupees Ninety-Nine)				



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	crore and Twenty-Nine Lakh only)				
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**Issuer did not cooperate; based on best available information*

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Detailed Rationale

Infomerics ratings has downgraded the rating of SDSPL and continued under 'ISSUER NOT COOPERATING' category due to lack of adequate information available and the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity.

Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide mail communications dated March 11 2025, March 17 2025, March 25 2025, April 01, 2025, April 02, 2025, and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted some of the essential details/information for surveillance exercise. Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information.

Accordingly, the long-term ratings of the bank loan facilities aggregating to Rs. 99.29 crore of SDSPL shall be continued under 'ISSUER NOT COOPERATING' category by Infomerics and the ratings will be at 'IVR BB+/Negative; ISSUER NOT COOPERATING and IVR A4+; ISSUER NOT COOPERATING' based on best available information.

Analytical Approach: Standalone

Applicable Criteria:

[Policy on Issuer Non-Cooperating](#)



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[Criteria of assigning Rating outlook](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Complexity Level of Rated Instruments/Facilities](#)

[Rating Methodology for Manufacturing Companies.](#)

[Policy on Default Recognition and Post – Default Curing Period](#)

About the Company

Promoters initially started two proprietary concerns in 1995 namely Shri Dhanalakshmi Sizing Mills and Shri Dhanalakshmi Spinning Mills. Subsequently, both of this proprietary concern was merged and converted into a partnership firm as Shri Dhanalakshmi Textiles. Later, in 2003 named was changed to Shri Dhanalakshmi Sizing and Spinning Mills. In 2012 Partnership firm was converted into Private Limited company named as Shri Dhanalakshmi Spinntex Private Limited. The company is engaged in the business of Yarn manufacturing, wind power generation and solar power generation. The company's yarn manufacturing facilities are located at Coimbatore, Tamil Nadu and windmills & solar plant are located at strategic locations in Tamil Nadu where the sun rays are bright, and flow of the wind is strong. SDSPL has a total manufacturing capacity of 1879.2 Tonnes for manufacturing of Yarn and 36.225 MWH of power is generated through windmills and 5 MWH of power is generated through Solar plant.

Financials (Standalone):

(Rs. crore)

For the year ended/ As on*	31-03-2023	31-03-2024
	Audited	Provisional
Total Operating Income	153.85	162.58
EBITDA	23.58	28.08
PAT	1.83	8.79
Total Debt	100.38	81.18
Tangible Net Worth	53.39	62.03
<u>Ratios</u>		
EBITDA Margin (%)	15.33	17.27
PAT Margin (%)	1.18	5.40
Overall Gearing Ratio (x)	1.88	1.31
Interest Coverage (x)	2.37	3.14

*Classification as per Infomerics' standards



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Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years:

S. No	Name of Security/Facilities	Current Rating (Year 2025-26)		Rating History for the past 3 years			
		Type (Long Term/ Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23
				April 18,2025	November 21, 2024	September 22, 2023	--
1.	Cash Credit	Long Term	18.00	IVR BB+/ Negative; Issuer Not Cooperating *	IVR BBB-/ Negative; Issuer Not Cooperating *	IVR BBB-/ Stable	--
2.	Term Loans	Long Term	54.05	IVR BB+/ Negative; Issuer Not Cooperating *	IVR BBB-/ Negative; Issuer Not Cooperating *	IVR BBB-/ Stable	--
3.	GECL	Long Term	18.24	IVR BB+/ Negative; Issuer Not Cooperating *	IVR BBB-/ Negative; Issuer Not Cooperating *	IVR BBB-/ Stable	--
4.	Letter of Credit	Short Term	9.00	IVR A4+ Issuer Not Cooperating *	IVR A3 Issuer Not Cooperating *	IVR A3	

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

Name and Contact Details of the Rating Analyst:

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About Infomerics:

Infomerics Valuation and Rating Ltd (Infomerics) [Formerly Infomerics Valuation and Rating Pvt. Ltd] was founded in the year 1986 by a team of highly experienced finance professionals



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for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit www.infomerics.com

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Instruments / Facilities

Name of Instruments / Facilities	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (INR Crore)	Rating Assigned/ Outlook
Cash Credit	-	-	-	-	18.00	IVR BB+/Negative; Issuer Not Cooperating *
Term Loans	-	-	-	March 2029	54.05	IVR BB+/Negative; Issuer Not Cooperating *



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Name of Instruments / Facilities	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (INR Crore)	Rating Assigned/ Outlook
GECL	-	-	-	March 2027	18.24	IVR BB+/Negative; Issuer Not Cooperating *
Letter of Credit	-	-	-	-	9.00	IVR A4+ Issuer Not Cooperating *

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

Annexure 2: Facility wise lender details (Hyperlink to be added): Not Applicable

Annexure 3: Detailed explanation of covenants of the rated Security/facilities: Not Applicable

Annexure 4: List of companies considered for consolidated/Combined analysis: Not applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.