



Press Release

Salem Erode Investments Limited

June 20, 2025

Ratings

Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Non-Convertible debentures	0.59	IVR B+/-Negative; ISSUER NOT COOPERATING (IVR B Plus with Negative Outlook, Issuer Not Cooperating) *	IVR BB-/-Negative; ISSUER NOT COOPERATING (IVR Double B Minus with Negative Outlook, Issuer Not Cooperating) *	Rating downgraded and continued in Issuer Not Cooperating category	Simple
Proposed non-convertible debentures	99.41	IVR B+/-Negative; ISSUER NOT COOPERATING (IVR B Plus with Negative Outlook, Issuer Not Cooperating) *	IVR BB-/-Negative; ISSUER NOT COOPERATING (IVR Double B Minus with Negative Outlook, Issuer Not Cooperating) *Outlook, Issuer Not Cooperating) *	Rating downgraded and continued in Issuer Not Cooperating category	Simple
Total		100.00 (Rupees Hundred crore only)			

**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 long-term ratings assigned to the non-convertible debentures of Salem Erode Investments Limited and continued in 'Issuer Not Cooperating' category due to lack of availability of adequate information/ annual surveillance fee and the resultant 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.



Press Release

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

Note on non-cooperation

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 May 21, 2025, June 05, 2025, June 11, 2025, June 12, 2025, June 16, 2025, and June 17, 2025 and concurrently over several phone calls. However, despite the repeated requests by Infomerics, the company's management has not submitted the requested information for monitoring the ratings. Further the annual surveillance fee has not been received. Availability of information is very critical in the rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics reviews the rating based on the best available information. Accordingly, the ratings for the bank facilities of Salem erode investments limited aggregating Rs.100.00 crore has been continued in 'ISSUER NOT COOPERATING' category by Infomerics.

Analytical Approach: Standalone

Applicable Criteria

[Guidelines on What Constitutes Non-cooperation by clients](#)

[Rating Methodology for Financial Institutions/Non-Banking Finance companies](#)

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

[Criteria of assigning Rating Outlook.](#)

[Complexity level of rated instruments/Facilities](#)

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

About the Company



Press Release

Salem Erode Investments Ltd (SEIL) was incorporated under the Companies Act, 1913 on May 16, 1931, as Salem-Erode Electricity Distribution Co. Limited. The name of the Company was changed to Salem Erode Tea & Investment Co. Limited and a fresh certificate of incorporation consequent upon the change of name dated November 28, 1975, was issued by the Registrar of Companies, West Bengal. The name of the Company was further changed to Salem Erode Investments Limited and a fresh Certificate of Incorporation consequent upon change of name was issued on July 24, 1992. The Equity shares of the Company are listed in the Bombay Stock Exchange. Salem Erode Investments Limited is a NBFC Company and also registered with RBI. On 17th February 2020, SEIL was acquired by ICL Fincorp Limited, a Non-Banking Financial Company providing Gold Loan, Business Loan, Hire Purchase Loan etc. After acquisition the Company gradually started expanding its business. The Company now has 12 (twelve) branches across Southern parts of the Country. ICL Fincorp Ltd holds 75% stake in SEIL.

Financials (Standalone):

(Rs. crore)

For the year ended/As on*	31-03-2022	31-03-2023
	(Audited)	(Audited)
Total Income	2.81	4.03
PAT	0.71	(0.11)
Tangible net worth	25.48	24.91
Total debt	10.97	10.75
AUM	28.82	28.53
Ratios		
NIM (%)	9.37	8.48
Total CRAR (%)	18.52	19.05
Gross NPA [Stage III] (%)	0.32	1.34
Net NPA [Stage III] (%)	0.28	1.21
Overall gearing (x)	0.43	0.43
Interest Coverage (x)	5.80	0.94

*As per Infomerics' standards

Status of non-cooperation with previous CRA: Nil



Press Release

Any other information: Nil

Rating History for last three years:

Sr. No	Name of Security/Facilities	Current Ratings (2025-26)			Rating History for the past 3 years		
		Type	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
					July 03, 2024	July 14, 2023	March 07, 2023
1.	Non-Convertible Debentures (NCDs)	Long Term	0.59	IVR B+/Negative; ISSUER NOT COOPERATING (IVR B Plus with Negative Outlook, Issuer Not Cooperating) *	IVR BB-/ Negative; ISSUER NOT COOPERATING* (IVR Double B Minus with Negative Outlook; ISSUER NOT COOPERATING*)	IVR BB / Stable Outlook [IVR Double B with Stable Outlook]	-
2.	Proposed Non-Convertible Debentures (NCDs)	Long Term	99.41	IVR B+/Negative; ISSUER NOT COOPERATING (IVR B Plus with Negative Outlook, Issuer Not Cooperating) *	IVR BB-/ Negative; ISSUER NOT COOPERATING* (IVR Double B Minus with Negative Outlook; ISSUER NOT COOPERATING*)	IVR BB / Stable Outlook [IVR Double B with Stable Outlook]	IVR BB-/ Negative; ISSUER NOT COOPERATING* (IVR Double B Minus with Negative Outlook; ISSUER NOT COOPERATING*)

Analytical Contacts:

Name: Amey Joshi Tel: (022) 6239 6023 Email: amey.joshi@infomerics.com	Name: Sree Harsha Tel: (022) 6239 6023 Email: sree.harsha@infomerics.com
---	--

About Infomerics:



Press Release

Infomerics Valuation and Rating Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals 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 I: Details of Facilities:

Name of Facility	ISIN	Date of Issuance	Coupon Rate/ IRR (%)	Maturity Date	Size of Facility	Listing Status	Rating Assigned/ Outlook
------------------	------	------------------	----------------------	---------------	------------------	----------------	--------------------------



Press Release

					(Rs. Crore)		
NCDs	INE894E07694	22 Aug 2022	11.00	22 September 2023	0.10	Not Listed	IVR B+/Negative; ISSUER NOT COOPERATING (IVR B Plus with Negative Outlook, Issuer Not Cooperating) *
NCDs	INE894E07736	22 Aug 2022	11.50	22 September 2023	0.02	Not Listed	
NCDs	INE894E07744	22 Aug 2022	12.00	22 September 2023	0.04	Not Listed	
NCDs	INE894E07702	22 Aug 2022	11.50	22 September 2023	0.24	Not Listed	
NCDs	INE894E07710	22 Aug 2022	12.00	22 August 2024	0.09	Not Listed	
NCDs	INE894E07751	22 Aug 2022	11.75	22 August 2025	0.05	Not Listed	
NCDs	INE894E07728	22 Aug 2022	12.75	22 August 2025	0.05	Not Listed	
Proposed NCDs	--	--	--	--	99.41	NA	

Annexure 2: Facility wise lender details: Not Applicable

Annexure 3: Detailed explanation of covenants of the rated facilities:

Name of the Instrument	Secured Non-Convertible Debentures
Security name	Retail NCDs (Private placement) issued in 4 series with different tenor/coupon rates
Objects of the Issue / Details of the utilization of the proceeds	The proceeds of the issue to be utilized for Capital expenditure/working capital purposes



Press Release

Amount (Rs in Crores)	100.00
Coupon Rate	11.50 – 13.66%
Coupon payment frequency	Monthly-Annual
Tenor	13 – 65 months
Non - Financial Covenant	Nil
Financial Covenant	Nil

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

