

Rating Rationale

30 June 2026

Sambandam Spinning Mills Ltd

Brickwork Ratings has downgraded the long-term and reaffirmed the short-term rating for the Bank Loan Facilities of Rs. 56.60 Crs. of Sambandam Spinning Mills Ltd, under Issuer not cooperating category based on best available information, as the issuer did not cooperate and simultaneously withdrawn the ratings. The long-term ratings of the Fixed Deposits of Rs. 10.00 Cr are placed on “Notice of withdrawal”.

Particulars

Facilities/ Instrument **	Previous Limits (Rs. Crs.)	Present Limits (Rs. Crs.)	Tenure	Previous Rating # (17 Sept 2025)	Present Rating #
Fund Based	51.72	51.72	Long Term	BWR BB-/Stable continues to be in ISSUER NOT COOPERATING*/ Reaffirmed	BWR B+/Stable continues to be in ISSUER NOT COOPERATING*/ Downgraded and withdrawn
Fund Based	39.03	0.00	Long Term	BWR BB-/Stable continues to be in ISSUER NOT COOPERATING*/ Reaffirmed	Withdrawal
Fund Based	1.12	0.00	Short Term	BWR A4/continues to be in ISSUER NOT COOPERATING*/ Reaffirmation	Withdrawal
Fund Based	0.50	0.50	Short Term	BWR A4/continues to be in ISSUER NOT COOPERATING*/ Reaffirmation	BWR A4/continues to be in ISSUER NOT COOPERATING*/ Reaffirmation and withdrawn
Non Fund Based	5.22	0.00	Short Term	BWR A4/continues to be in ISSUER NOT COOPERATING*/ Reaffirmation	Withdrawal
Non Fund Based	4.38	4.38	Short Term	BWR A4/continues to be in ISSUER NOT COOPERATING*/ Reaffirmation	BWR A4/continues to be in ISSUER NOT COOPERATING*/ Reaffirmation and withdrawn
Total	101.97	56.60	Rupees fifty-six crores and sixty lakhs only		

Facilities/ Instrument **	Previous Amount (Rs Cr)	Present Amount (Rs Cr)	Tenure	Previous Rating # (17 Sep 2025)	Present Rating #
Fixed Deposit	10.00	10.00	Long Term	BWR BB-/Stable continues to be in ISSUER NOT COOPERATING*/ Reaffirmed	BWR B+/Stable continues to be in ISSUER NOT COOPERATING*/ Downgraded and Placed on Notice of Withdrawal
Total	10.00	10.00	Rupees Ten Crores Only		

#Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

*Issuer did not cooperate; based on best available information

**Instrument details are furnished in Annexure -I & II

RATING ACTION / WITHDRAWAL / NATURE OF NON-COOPERATION

Brickwork Ratings has downgraded the long-term ratings to “BWR B+/Stable” and reaffirmed the short-term ratings at "BWR A4" for the bank loan facilities of Rs.56.60 crores and continued under the 'Issuer Not Cooperating' category and simultaneously withdrawn them. The long-term ratings of the fixed deposit instrument of Rs. 10.00 Crs of the company are placed on notice of withdrawal for a period of three months as per the BWR Withdrawal policy.

The rating withdrawal is based on receipt of withdrawal request from the company along with the NOC/NDC from the lenders for withdrawal. BWR has been consistently taking up with the company to provide required information over emails apart from telephonic communication, but no response has been received from the client. Further, BWR is unable to reach the banker. The banker's feedback regarding the conduct of the account is not available. Despite the best efforts of BWR to get at least the minimum required information for the review, the entity has not provided the same. In the absence of adequate information from the entity, BWR is unable to assess the firm's financial performance and its ability to service its debt and maintain a valid rating. The rating withdrawal is in accordance with the Rating Withdrawal Policy of Brickwork Ratings, and the relevant documents are held on record

The lenders/investors may note to exercise due caution while using the above rating which mentions "Issuer Not Cooperating" since the rating lacks any projections or forward-looking component as it is arrived at based on the best available information without any management/banker's interaction

LIMITATIONS OF THE RATING:

Information availability risk is a key factor in the assessment of credit risk as generally, non-cooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress. Users of the credit rating should therefore take into account possible deterioration in the credit quality of the rated entity arising from its non-transparency withholding of information required for a review of the rating

About the Company

Macro Economic Indicator	Sector	Industry	Basic Industry
Consumer Discretionary	Textiles	Textiles & Apparels	Garments & Apparels

Sambandam Spinning Mills Limited (SSMPL or 'the company') was incorporated in 1973 and is a BSE listed company since 1995. The Company is in the business of manufacturing cum trading of textile yarn with various varieties of inputs such as cotton, viscose, polyester and milange. The company has four Yarn manufacturing units at Salem –Tamil Nadu with an operating capacity of 1,43,052 Spindles. The company has installed sixteen Wind Turbine Generators for a total capacity of 12.575 MW in Tirunelveli and Coimbatore districts of Tamil Nadu. The electricity generated by the wind mills is mostly used for captive generation. The Company is managed by three whole-time promoter directors, Sri.S.Devarajan, Chairman and Managing Director, Sri.S.Jegarajan, Joint Managing Director and Sri.S.Dinakaran, Joint Managing Director.

Note: As per the Information available with BWR as of 11-Aug-2021.

KEY FINANCIAL INDICATORS

Key Parameters	Units	FY 23 - 24 (Audited)	FY 24 - 25 (Audited)	FY 25 - 26 (Audited)
Operating Revenue	Rs.Crs.	218.08	268.48	263.66
EBITDA	Rs.Crs.	6.73	9.27	11.53
PAT	Rs.Crs.	-7.90	-7.43	-5.74
Tangible Net Worth	Rs.Crs.	90.98	85.53	79.23
Total Debt / Tangible Net Worth	Times	1.28	1.39	1.75
Current Ratio	Times	1.05	1.05	1.20

NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY IF ANY
NIL

ANY OTHER INFORMATION
NIL

RATING HISTORY FOR THE PREVIOUS THREE YEARS (including withdrawal and suspension)

Instrument / Facility	Current Rating (Year 2026)			Rating History		
	Type	Amount (Rs in Cr)	Rating	17 September 2025	18 September 2024	23 September 2023
Fund Based	Long Term	51.72	BWR B+/Stable continues to be in ISSUER NOT COOPERATING*/Downgraded and withdrawn	BWR BB-/Stable continues to be in ISSUER NOT COOPERATING*/Reaffirmed	BWR BB-/Stable continues to be in ISSUER NOT COOPERATING*/Downgrade	BWR BB/Stable continues to be in ISSUER NOT COOPERATING*/Downgrade
Fund Based	Long Term	0.00	Withdrawal	BWR BB-/Stable continues to be in ISSUER NOT COOPERATING*/Reaffirmed	BWR BB-/Stable continues to be in ISSUER NOT COOPERATING*/Downgrade	BWR BB/Stable continues to be in ISSUER NOT COOPERATING*/Downgrade
Fund Based	Short Term	0.00	Withdrawal	BWR BB-/Stable continues to be in ISSUER NOT COOPERATING*/Reaffirmed	BWR BB-/Stable continues to be in ISSUER NOT COOPERATING*/Downgrade	BWR BB/Stable continues to be in ISSUER NOT COOPERATING*/Downgrade
Fund Based	Short Term	0.50	BWR A4/continues to be in ISSUER NOT COOPERATING*/Reaffirmed and withdrawn	BWR A4/continues to be in ISSUER NOT COOPERATING*/Reaffirmed	BWR A4/continues to be in ISSUER NOT COOPERATING*/Reaffirmed	BWR A4/continues to be in ISSUER NOT COOPERATING*/Reaffirmed
Non Fund Based	Short Term	0.00	Withdrawal	BWR A4/continues to be in ISSUER NOT COOPERATING*/Reaffirmed	BWR A4/continues to be in ISSUER NOT COOPERATING*/Reaffirmed	BWR A4/continues to be in ISSUER NOT COOPERATING*/Reaffirmed
Non Fund Based	Short Term	4.38	BWR A4/continues to be in ISSUER NOT COOPERATING*/Reaffirmed and withdrawn	BWR A4/continues to be in ISSUER NOT COOPERATING*/Reaffirmed	BWR A4/continues to be in ISSUER NOT COOPERATING*/Reaffirmed	BWR A4/continues to be in ISSUER NOT COOPERATING*/Reaffirmed
Fixed Deposit	Long Term	10.00	BWR B+/ Stable continues to be in ISSUER NOT COOPERATING*/Downgraded and placed on notice for withdrawal	BWR BB-/ Stable continues to be in ISSUER NOT COOPERATING*/Reaffirmed	BWR BB-/ Stable continues to be in ISSUER NOT COOPERATING*/Downgrade	BWR BB/ Stable continues to be in ISSUER NOT COOPERATING*/Downgrade
	Total	66.60**	Rupees Hundred and Eleven Crores and Ninety Seven Lakhs Only			

*Issuer did not cooperate; based on best available information

** The total amount include BLR facilities of 56.60 Crs and FD Facilities of 10.00 Crs

Hyperlink/Reference to applicable Criteria

- [Approach to Financial Ratios](#)
- [General Criteria](#)
- [Short Term Debt](#)
- [Manufacturing Companies](#)
- [Policy On Issuer Non -Cooperation](#)
- [BWR Withdrawal Policy](#)
- [Trading Entities](#)

Analytical Contacts	
Vishnu K Ratings Analyst vishnu.k@brickworkratings.com	Jayanthi Yogeesh Senior Manager - Ratings jayanthi.y@brickworkratings.com
	media@brickworkratings.com

ANNEXURE-I

Sambandam Spinning Mills Limited Details of bank loan facilities rated by BWR

Sl. No.	Name of the Bank	Type of Facilities	Long Term (Rs Cr.)	Short Term (Rs Cr.)	Total (Rs Cr.)	Complexity of the Instrument
1	State Bank of India	CC	-	-	-	Simple
2		Stand by line of credit (sublimit of CC)	-	-	-	Simple
3		EPC/FPC (Sublimit of CC)	-	-	-	Simple
4		FBD/EBR (Non LC)(Sublimit of CC)	-	-	-	Simple
5		BG (Sublimit)	-	-	-	Simple
6		Short Term COVID Loan	-	-	-	Simple
7		Term Loan	-	-	-	Simple
8		Term Loan - GECL	-	-	-	Simple
9		LC	-	-	-	Simple
10		CEL	-	-	-	Simple
11	Canara Bank	Cash Credit	10.15	-	10.15	Simple
12		Short Term COVID Loan	-	0.50	0.50	Simple
13		Term loan- GECL	1.93	-	1.93	Simple
14	Karnataka Bank	OD	8.25	-	8.25	Simple
15		Term Loan	1.14	-	1.14	Simple
16		Term loan- GECL	1.87	-	1.87	Simple
17		LC	-	4.30	4.30	Simple
18		BG	-	(2.00)	(2.00)	Simple
19	South Indian Bank	CEL	-	0.08	0.08	Simple
20		CC	5.25	-	5.25	Simple
21	Bank	Term loan- GECL	0.72	-	0.72	Simple
22	Catholic Syrian Bank	Term Loan	13.86	-	13.86	Simple
23	Bank	Term Loan-Fresh	8.55	-	8.55	Simple
Rupees fifty-six crores and sixty lakhs only					56.60	

##BWR complexity levels are meant for educating investors. The BWR complexity levels are available at [www.brickworkratings.com / download / ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf). Investors queries can be sent to info@brickworkratings.com

ANNEXURE - II Details of FDs rated by BWR:

S.No.	Instrument	Amount (Rs. Crs.)	Tenure	Rate of Interest	Complexity of the Instrument
1.	Fixed Deposits	10.00	36 months	10%-11%	Simple
Total - Rupees Ten Crores only					

ANNEXURE III List of Entities Consolidated- NA

List of instruments and regulators

As required by SEBI CRA Circular dated Feb 10, 2026, a list of activities or instruments falling under the purview of various FSRs, along with the names of respective FSRs, is being disclosed below:

Instrument/Activity	Regulator
Listed/Proposed to be listed bonds/debentures/preference share (all securities)	SEBI
Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) ¹	SEBI
Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI)- ¹	SEBI
Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI)- ¹	RBI
Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
Loan Facilities (Fund/Non-Fund Based) from Bank/NBFCs/NHB/FIs - ²	RBI
External Commercial Borrowings and other similar borrowings	RBI
Certificates of Deposit	RBI
Fixed Deposits raised by NBFC's, Banks, HFCs, Fis	RBI
Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, Fis	MCA
Inter Corporate Deposits/Loans extended by Corporates	MCA
Borrowing programme - ³	-
Issuer Ratings ⁴	-
Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
Listed Security Receipts	SEBI
Unlisted Security Receipts	RBI
Independent Credit Evaluation (ICE)	RBI
Expected Loss Ratings (for Loan Facilities (Fund/Non-Fund Based) from Bank/NBFCs/NHB/Fis)	RBI
Expected Loss Ratings (Listed/Proposed to be listed bonds/debentures/preference share (all securities))	SEBI
Expected Loss Ratings (Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities))	MCA
Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) - ¹	Investor-side Regulator such as IRDAI, PFRDA ⁵
Monitoring Agency	SEBI
Research activities, incidental to rating, such as research for Economy, Industries and Companies ⁶	NA

- Includes securitisation transactions involving assignee payout, acquirer's payout.
- Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.
- The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In PRs subsequent to issuance(s), BWR shall separately capture the rated quantum details along with names of respective regulators.
- There is no instrument being rated and hence, Regulator of the Instrument is not applicable.
- These ratings were assigned during regulatory regime prior to the introduction of SEBI CRA Circular dated Feb 10, 2026, and accordingly, investor side regulators have been included.
- Permitted by SEBI vide SEBI Master Circular for CRAs

Grievance Management: For any grievances relating to rating of instruments regulated by SEBI, please contact sebigrievance@brickworkratings.com. Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available

For any grievances relating to rating of instruments regulated by other FSR (Financial Sector Regulators), please contact grievance@brickworkratings.com

About Brickwork Ratings

Brickwork Ratings (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by Reserve Bank of India [RBI]. BWR is the 5th agency to get a credit rating registration in India in 2009 and its corporate office in Bengaluru. It has a country-wide presence with representatives in 150+ locations. Canara Bank is Brickwork's strategic partner and promoter.

Brickwork offers credit ratings of Bank Loan, Non-convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has also rated NGOs, Educational Institutions, Hospitals, Urban Local Bodies and Municipal Corporations.

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