

Ranganayaka Spinning Mills Private Limited: Suspended

Facilities	Amount (Rs Crore)	Ratings/Outlook
Term Loan	8.05	SMERA BB+/Stable (Suspended)
Cash Credit	10.50*	SMERA BB+/Stable (Suspended)
EPCG Bank Guarantee	0.43	SMERA A4+ (Suspended)

*Includes sublimit of Rs.6.00 crore of export packing credit and Rs.3.00 crore of FBDN (Non-LC)

SMERA has suspended the above mentioned ratings of Ranganayaka Spinning Mills Private Limited (RSMPL). The suspension follows SMERA's inability to undertake rating surveillance in the absence of requisite information from the company.

As per SMERA's suspension policy, outstanding ratings may be suspended in case of insufficient information to assess such ratings during the surveillance process.

About the Company

RSMPL, incorporated in 2006, is a Guntur-based company promoted by Mr. G. Ramalingeshwara Rao, Mr. Pavan Kumar Guntupalli and Mr. Rajesh Kumar Guntupalli. The company is engaged in the manufacture of cotton yarn in the range of 32s to 60s counts and has an installed capacity of 18,000 spindles.

RSMPL reported PAT (profit after tax) of Rs.3.44 crore on operating income of Rs.55.59 crore for FY2013-14 as compared with PAT (profit after tax) of Rs.0.19 crore on operating income of Rs.38.33 crore for FY2012-13. The company registered revenue of ~Rs.50.86 crore (Provisional) in FY2014-15. RSMPL's net worth stood at Rs.16.63 crore as on March 31, 2014 as against Rs.13.21 crore a year earlier.

Rating History

Date	Name of the Instrument	Amount (Rs. Crore)	Rating		Rating/Outlook
			Long Term	Short Term	
03 August, 2015	Term Loan	8.05	SMERA BB+ (Assigned)	-	Stable
	Cash Credit	10.50*	SMERA BB+ (Assigned)	-	Stable
	EPCG Bank Guarantee	0.43	-	SMERA A4+ (Assigned)	-

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ABOUT SMERA

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