

September 28, 2015

Facilities	Amount (Rs. Crore)	Rating
Cash Credit	5.20	SMERA D (Assigned)
Term Loan 1	9.75	SMERA D (Assigned)
Term Loan 2	12.38	SMERA D (Assigned)
Letter of Credit	1.00	SMERA D (Assigned)

SMERA has assigned a rating of '**SMERA D** (read as **SMERA D**) to the Rs.28.33 crore bank facilities of S3V Vascular Technologies Private Limited (S3V). The rating reflects delays in servicing of debt and project completion. The rating also takes into account the nascent stage of operations of the project leading to continuous cash losses and stretched liquidity.

Rating Sensitivity Factors

- Curing of default by timely servicing of term loan obligations
- Working capital management
- Timely completion of project viz. factory unit II

About the Company

S3V is a Mysore-based company incorporated in 2011 to manufacture medical devices. The company promoted by Mr. N. G. Badari Narayan, Ms. Chava Satyanarayana, Mr. Aju Jacob and Mr. Ravi Prayaga, commenced commercial operations in FY2013. Plans are on to set up a second factory unit.

For FY2013-14, S3V reported net loss of Rs.2.47 crore on operating income of Rs.2.57 crore, as compared with net loss of Rs.1.36 crore on operating income of Rs.0.43 crore in the previous year. Further, the company registered net loss of Rs.1.51 crore (provisional) on operating income of Rs.9.69 crore (provisional) for FY2014-15.

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