

Press Release

Vasundhara Cotton Mills Private Limited

June 21, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	24.11	ACUITE BB- Reaffirmed Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	24.11	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long term rating to '**ACUITE BB-' (read as ACUITE double B minus)** on the Rs. 24.11 crore bank facilities of Vasundhara Cotton Mills Private Limited (VCMPL). The rating continues to be flagged as "Issuer Not Cooperating" and is based on the best available information.

About the Company

Vasundhara Cotton Mills Private Limited (VCMPL), an Andhra Pradesh-based company was incorporated in 2005 and commenced commercial operations in 2007 is promoted by Mr. Koteswara Rao Guntupalli, Mr. Ravisankar Guntupalli, Mr. Subhash Guntupalli. The company is engaged in the manufacturing and trading of cotton yarn and allied products at Guntur and has capacity of 18000 spindles per annum. The company manufactures yarn in the count range of 30-60s.

Non-cooperation by the issuer/borrower:

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date.

This rating continues to be flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuite endeavored to gather information about the entity/industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

Material Covenants

Not Applicable

Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

Outlook

Not Applicable

Status of non-cooperation with previous CRA

None

Any other information

The rated entity has not shared the latest financial statements despite repeated requests.

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
23 Mar 2021	Cash Credit	Long Term	13.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Proposed Bank Facility	Long Term	0.41	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Standby Line of Credit	Long Term	1.95	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	8.75	ACUITE BB- (Downgraded and Issuer not co-operating*)
24 Dec 2019	Standby Line of Credit	Long Term	1.95	ACUITE BB (Issuer not co-operating*)
	Term Loan	Long Term	8.75	ACUITE BB (Issuer not co-operating*)
	Proposed Long Term Loan	Long Term	0.41	ACUITE BB (Issuer not co-operating*)

	Cash Credit	Long Term	13.00	ACUITE BB (Issuer not co-operating*)
08 Nov 2019	Cash Credit	Long Term	13.00	ACUITE BBB- (Issuer not co-operating*)
	Proposed Long Term Loan	Long Term	0.41	ACUITE BBB- (Issuer not co-operating*)
	Term Loan	Long Term	8.75	ACUITE BBB- (Issuer not co-operating*)
	Standby Line of Credit	Long Term	1.95	ACUITE BBB- (Issuer not co-operating*)
20 Aug 2018	Cash Credit	Long Term	13.00	ACUITE BBB- (Issuer not co-operating*)
	Term Loan	Long Term	8.75	ACUITE BBB- (Issuer not co-operating*)
	Standby Line of Credit	Long Term	1.95	ACUITE BBB- (Issuer not co-operating*)
	Proposed Long Term Loan	Long Term	0.41	ACUITE BBB- (Issuer not co-operating*)
14 Jun 2017	Cash Credit	Long Term	13.00	ACUITE BBB- Stable (Assigned)
	Term Loan	Long Term	8.75	ACUITE BBB- Stable (Assigned)
	Standby Line of Credit	Long Term	1.95	ACUITE BBB- Stable (Assigned)
	Proposed Long Term Loan	Long Term	0.41	ACUITE BBB- Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
State Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	13.00	ACUITE BB- Reaffirmed Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	0.41	ACUITE BB- Reaffirmed Issuer not co-operating*
State Bank of India	Not Applicable	Stand By Line of Credit	Not Applicable	Not Applicable	Not Applicable	1.95	ACUITE BB- Reaffirmed Issuer not co-operating*
State Bank of India	Not Applicable	Term Loan	Not available	Not available	31-10-2030	8.75	ACUITE BB- Reaffirmed Issuer not co-operating*

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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