

Press Release

Visalaandhra Vignana Samithi

November 28, 2022



Rating Downgraded, Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	1.20	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Bank Loan Ratings	14.81	ACUITE B+ Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	16.01	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE B+**' (read as **ACUITE B plus**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) and reaffirmed the short term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.16.01 crore bank facilities of Visalaandhra Vignana Samithi. The rating is now an indicative rating and is based on the best available information.

The rating has been downgraded on account of information risk.

About the Company

Visalaandhra Vignana Samithi is a Vijayawada (Andhra Pradesh) based society established in 1956. Visalaandhra Vignana Samithi is engaged in the circulation of Telugu daily newspaper under the name of 'Visalandhra' with circulation majorly in the state of Andhra Pradesh, and minor presence in Telangana. It is also engaged in sale of books and printing services for Government bodies and private publishers. Mr. Mr P. Harinatha Reddy is the General Manager who looks after day to day operations of the society.

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. Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is therefore being 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.

Rating Sensitivities

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

Material Covenants

None

Liquidity Position

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

Outlook:

Not Applicable

Other Factors affecting Rating

None

Key Financials:

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

Status of non-cooperation with previous CRA

None

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite' s categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
13 Sep 2021	Working Capital Term Loan	Long Term	2.24	ACUITE BB- Stable (Assigned)
	Working Capital Term Loan	Long Term	1.10	ACUITE BB- Stable (Assigned)
	Bank Guarantee	Short Term	1.20	ACUITE A4 (Reaffirmed)
	Working Capital Term Loan	Long Term	0.49	ACUITE BB- Stable (Assigned)
	Term Loan	Long Term	2.48	ACUITE BB- Stable (Reaffirmed)

	Secured Overdraft	Long Term	8.50	ACUITE BB- Stable (Reaffirmed)
01 Jul 2020	Bank Guarantee	Short Term	1.20	ACUITE A4 (Reaffirmed)
	Term Loan	Long Term	0.73	ACUITE BB- (Withdrawn)
	Proposed Bank Facility	Long Term	0.60	ACUITE BB- Stable (Reaffirmed)
	Term Loan	Long Term	2.70	ACUITE BB- Stable (Reaffirmed)
	Secured Overdraft	Long Term	8.50	ACUITE BB- Stable (Reaffirmed)
21 May 2019	Secured Overdraft	Long Term	6.50	ACUITE BB- Stable (Assigned)
	Term Loan	Long Term	4.00	ACUITE BB- Stable (Assigned)
	Term Loan	Long Term	0.73	ACUITE BB- Stable (Assigned)
	Proposed Bank Facility	Long Term	0.57	ACUITE BB- Stable (Assigned)
	Bank Guarantee	Short Term	1.20	ACUITE A4 (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Indian Bank	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	Simple	1.20	ACUITE A4 Reaffirmed Issuer not co-operating*
Indian Bank	Not Applicable	Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	Simple	8.50	ACUITE B+ Downgraded Issuer not co-operating*
Indian Bank	Not Applicable	Term Loan	Jan 19 2018 12:00AM	8.70	Jul 19 2025 12:00AM	Simple	2.48	ACUITE B+ Downgraded Issuer not co-operating*
Indian Bank	Not Applicable	Working Capital Term Loan	Not available	Not available	Not available	Simple	2.24	ACUITE B+ Downgraded Issuer not co-operating*
Indian Bank	Not Applicable	Working Capital Term Loan	Not available	Not available	Not available	Simple	1.10	ACUITE B+ Downgraded Issuer not co-operating*
Indian Bank	Not Applicable	Working Capital Term Loan	Not available	Not available	Not available	Simple	0.49	ACUITE B+ Downgraded Issuer not co-operating*

Contacts

Analytical	Rating Desk
Aditya Gupta Vice President-Rating Operations Tel: 022-49294041 aditya.gupta@acuite.in Radhika Kolwankar Analyst-Rating Operations Tel: 022-49294065 radhika.kolwankar@acuite.in	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuite.in

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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