

Press Release

Gudimetla Sundara Rami Reddy And Company

August 24, 2018

Rating Downgraded



Total Bank Facilities Rated*	Rs.25.00 Cr. #
Long Term Rating	ACUITE D (Issuer not co-operating*; downgraded from Acuite BB-/Stable)

#Refer Annexure for details

*The issuer did not co-operate; based on best available information.

Rating Rationale

Acuite has downgraded the long term rating to '**ACUITE D**' (read as **ACUITE D**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) to the Rs.25.00 crore bank facilities of Gudimetla Sundara Rami Reddy and Company (GSRR). This rating is now an indicative rating and is based on best available information.

The rating downgrade reflects in inadequacy of the data and the banker's opinion on the account conduct.

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 due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>
- Entities In Manufacturing Sector - <https://www.acuite.in/view-rating-criteria-4.htm>

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 endeavoured 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:

Gudimetla Sundara Rami Reddy and Company (GSRR), established in 1985, is an Andhra Pradesh based partnership firm promoted by Mr. Gudimetla Rama Krishna and Mr. Gudimetla Sundara Rami Reddy. The firm is engaged in the processing of non-basmati boiled, parboiled and raw rice at West Godavari District in Andhra Pradesh and has installed capacity of 270 metric tonnes per day (MTPD).

For FY2015-16, the firm reported net profit of Rs.0.28 crore on operating income of Rs.109.24 crore compared to net profit of Rs.0.19 crore on operating income of Rs.86.35 crore in the previous year.

Status of non-cooperation with previous CRA (if applicable):

None

Any other information:

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

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
29-Jul-2017	Cash Credit	Long Term	25.00	ACUITE BB-/Stable (Assigned)

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	25.00	ACUITE D (Indicative)

Contacts

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About Acuite Ratings & Research:

Acuite Ratings & Research Limited (Erstwhile ACUITÉ Ratings Limited) is a full-service Credit Rating Agency registered with the Securities and 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. Since then, it has assigned more than 6,000 credit 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 Mumbai.

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