

## Press Release

### Shri Vasudeva Weaving Mills Private Limited

June 09, 2020



#### Rating Update

<b>Total Bank Facilities Rated*</b>	Rs.34.50 Cr. #
<b>Long Term Rating</b>	ACUITE BB- (Downgraded from ACUITE BB/ Stable) Issuer not co-operating*
<b>Short Term Rating</b>	ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating*

# Refer Annexure for details

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

#### Rating Rationale

Acuité has downgraded the long-term rating to '**ACUITE BB- (read as ACUITE double B minus)**' from '**ACUITE BB (read as ACUITE double B)**' and short-term rating to '**ACUITE A4 (read as ACUITE A four)**' from '**ACUITE A4+ (read as ACUITE A four plus)**' on the Rs.34.50 crore bank facilities of Shri Vasudeva Weaving Mills Private Limited. This rating is now an indicative rating and is downgraded on account of information risk.

Shri Vasudeva Weaving Mills Private Limited (Shri Vasudeva) incorporated in 2012 is a Coimbatore based company engaged in weaving of fabrics along with trading of cloth. The commercial operations however started in 2015. The count ranges from 60's to 100's cotton for suiting fabrics and 30's to 120's cotton for shirting and bottom weight fabrics. Sri Vasudeva procures cotton yarn from Andhra Pradesh and Tamil Nadu. The company caters to reputed clients in Andhra Pradesh, Tamil Nadu, Gujarat and Delhi. The company has an installed capacity of 96 lakh meter per annum. The Company has a second hand windmill purchased in the year 2016 of 3.75 MW the power of which is internally used.

The company generates revenue from manufacturing of fabrics, organic fabrics, and viscose fabric.

#### Non-cooperation by the issuer/borrower

Acuité 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 Acuité's policies.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

#### Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Sector Entities - <https://www.acuite.in/view-rating-criteria-59.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). Acuité endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuité 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

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

Not Applicable

**Any other information**

Acuité 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-Mar-2019	Cash Credit	Long Term	12.00	ACUITE BB/ Stable (Downgraded)
	Term Loan	Long Term	14.47	ACUITE BB/ Stable (Downgraded)
	Term Loan	Long Term	3.22	ACUITE BB/ Stable (Downgraded)
	Term Loan	Long Term	1.81	ACUITE BB/ Stable (Downgraded)
	Letter of Credit	Short Term	3.00	ACUITE A4+ (Reaffirmed)
15-Feb-2019	Cash Credit	Long Term	12.00	ACUITE BB+ (Issuer not co-operating)
	Term Loan	Long Term	14.47	ACUITE BB+ (Issuer not co-operating)
	Term Loan	Long Term	3.22	ACUITE BB+ (Issuer not co-operating)
	Term Loan	Long Term	1.81	ACUITE BB+ (Issuer not co-operating)
	Letter of Credit	Short Term	3.00	ACUITE A4+ (Issuer not co-operating)
06-Dec-2017	Cash Credit	Long Term	12.00	ACUITE BB+/ Stable (Assigned)
	Term Loan	Long Term	14.47	ACUITE BB+/ Stable (Assigned)
	Term Loan	Long Term	3.22	ACUITE BB+/ Stable (Assigned)
	Term Loan	Long Term	1.81	ACUITE BB+/ Stable (Assigned)
	Letter of Credit	Short Term	3.00	ACUITE A4+ (Assigned)

**#Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	12.00	ACUITE BB- (Downgraded from ACUITE BB/ Stable) Issuer not co-operating*
Term Loan	Not Available	Not Applicable	Not Available	14.47	ACUITE BB- (Downgraded from ACUITE BB/ Stable) Issuer not co-operating*
Term Loan	Not Available	Not Applicable	Not Available	3.22	ACUITE BB- (Downgraded from ACUITE BB/ Stable) Issuer not co-operating*
Term Loan	Not Available	Not Applicable	Not Available	1.81	ACUITE BB- (Downgraded from ACUITE BB/ Stable) Issuer not co-operating*
Letter of Credit	Not	Not	Not	3.00	ACUITE A4

	Applicable	Applicable	Applicable	(Downgraded from ACUITE A4+) Issuer not co-operating*
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\*The issuer did not co-operate; Based on best available information.

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### About Acuité Ratings & Research:

Acuité Ratings & Research Limited (Erstwhile SMERA 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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