

## Press Release

### Sri Venkata Siva Parvathi Spinning Mills Private Limited (SVSPSMPL)

December 16, 2019

### Rating Update



<b>Total Bank Facilities Rated*</b>	Rs.98.67 Cr.#
<b>Long Term Rating</b>	ACUITE BB (Downgraded from ACUITE BBB-) Issuer not co-operating*
<b>Short Term Rating</b>	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*

# Refer Annexure for details`

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

Acuité has reviewed and downgraded long-term rating to '**ACUITE BB**' (read as **ACUITE double B**) from '**ACUITE BBB-**' (read as **ACUITE triple B minus**) and short term rating to '**ACUITE A4+**' (read as **ACUITE A four plus**) from '**ACUITE A3**' (read as **ACUITE A three**) on the Rs.98.67 crore bank facilities of Sri Venkata Siva Parvathi Spinning Mills Private Limited (SVSPSMPL). This rating is now an indicative rating and is based on best available information.

Sri Venkata Siva Parvathi Spinning Mills Private Limited (SVSPSMPL) is a private limited company which is engaged in the manufacturing cotton yarn ranging between the counts 16 counts to 60 counts and is located in Guntur, Andhra Pradesh. At present the directors are Mr. Maddali Subbarao, Mr. Maddali Giridhar Rao and Ms. Maddali Krishna Vinuth. The company was incorporated in 2003 and began its commercial operations from the year 2005. Prior to it the promoters were engaged in the trading of cotton yarn and other cotton products, ginning of cotton and conversion of cotton yarn as per customer's specification. The operations of the company are actively managed by Mr Maddali Subba Rao, Mr Madalli Giridhar Rao and Mr. Maddali Venkat.

### Analytical Approach

Acuité has considered the standalone business and financial risk profiles of SVSPSMPL to arrive at this rating.

### 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.

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.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité'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>
- Manufacturing Entities - <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). Acuité endeavored 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 attempts.

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

Not applicable

**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
18-Jul-2019	Cash Credit	Long Term	32.00	ACUITE BBB-Issuer not co-operating*
	Cash Credit	Long Term	25.00	ACUITE BBB-Issuer not co-operating*
	Term Loan	Long Term	24.03	ACUITE BBB-Issuer not co-operating*
	Term Loan	Long Term	4.08	ACUITE BBB-Issuer not co-operating*
	SLC	Short Term	2.70	ACUITE A3 Issuer not co-operating*
	ILC	Short Term	4.86	ACUITE A3 Issuer not co-operating*
	ILC	Short Term	6.00	ACUITE A3 Issuer not co-operating*
02-May-2018	Cash Credit	Long Term	32.00	ACUITE BBB-/Stable (Assigned)
	Cash Credit	Long Term	25.00	ACUITE BBB-/Stable (Assigned)
	Term Loan	Long Term	24.03	ACUITE BBB-/Stable (Assigned)
	Term Loan	Long Term	4.08	ACUITE BBB-/Stable (Assigned)
	SLC	Short Term	2.70	ACUITE A3 (Assigned)
	ILC	Short Term	4.86	ACUITE A3 (Assigned)
	ILC	Short Term	6.00	ACUITE A3 (Assigned)

**#Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	32.00	ACUITE BB (Downgraded form ACUITE BBB-) Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	25.00	ACUITE BB (Downgraded form ACUITE BBB-) Issuer not co-operating
Term Loan	Not Applicable	Not Applicable	Not Applicable	24.03	ACUITE BB (Downgraded form ACUITE BBB-) Issuer not co-operating
Term Loan	Not Applicable	Not Applicable	Not Applicable	4.08	ACUITE BB (Downgraded form

					ACUITE BBB-) Issuer not co-operating
SLC	Not Applicable	Not Applicable	Not Applicable	2.70	ACUITE A4+ (Downgraded form ACUITE A3) Issuer not co-operating*
ILC	Not Applicable	Not Applicable	Not Applicable	4.86	ACUITE A4+ (Downgraded form ACUITE A3) Issuer not co-operating*
ILC	Not Applicable	Not Applicable	Not Applicable	6.00	ACUITE A4+ (Downgraded form ACUITE A3) Issuer not co-operating*

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

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## About Acuité Ratings & Research:

Acuité Ratings & Research Limited (Erstwhile ACUITE 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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