

Press Release

Sri Venkata Siva Parvathi Spinning Mills Private Limited

January 29, 2021

Rating Update



Total Bank Facilities Rated*	Rs.98.67 Cr.#
Long Term Rating	ACUITE BB (Withdrawn) Issuer not co-operating*
Short Term Rating	ACUITE A4+ (Withdrawn) Issuer not co-operating*

#Refer Annexure for details

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

Rating Rationale

Acuite has withdrawn its long-term rating of '**ACUITE BB**' (read as **ACUITE double B**) and short term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs.98.67 crore bank facilities of Sri Venkata Siva Parvathi Spinning Mills Private Limited.

The rating has been withdrawn on account of request received from the company and NOC received from the banker as per Acuite's policy. The rating continues to be an indicative rating and is based on the 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 who have extensive experience in the said industry. 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.

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

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

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.

Liquidity Indicators

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

Rating Sensitivity

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

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)

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.

Applicable Criteria

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

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
16-Dec-2019	Cash Credit	Long Term	32.00	ACUITE BB (Downgraded from ACUITE BBB-) (Indicative)
	Cash Credit	Long Term	25.00	ACUITE BB (Downgraded from ACUITE BBB-) (Indicative)
	Term Loan	Long Term	24.03	ACUITE BB (Downgraded from ACUITE BBB-) (Indicative)
	Term Loan	Long Term	4.08	ACUITE BB (Downgraded from ACUITE BBB-) (Indicative)
	SLC	Short Term	2.70	ACUITE A4+ (Downgraded from ACUITE A3) (Indicative)
	ILC	Short Term	4.86	ACUITE A4+ (Downgraded from ACUITE A3) (Indicative)
	ILC	Short Term	6.00	ACUITE A4+ (Downgraded from ACUITE A3) (Indicative)
18-Jul-2019	Cash Credit	Long Term	32.00	ACUITE BBB- (Indicative)
	Cash Credit	Long Term	25.00	ACUITE BBB- (Indicative)
	Term Loan	Long Term	24.03	ACUITE BBB- (Indicative)
	Term Loan	Long Term	4.08	ACUITE BBB- (Indicative)
	SLC	Short Term	2.70	ACUITE A3 (Indicative)
	ILC	Short Term	4.86	ACUITE A3 (Indicative)

	ILC	Short Term	6.00	ACUITE A3 (Indicative)
02-May-2018	Cash Credit	Long Term	32.00	ACUITE BBB-/Stable (Assigned)
	Cash Credit	Long Term	25.00	ACUITE BBB-/Stable (Assigned)
	Term Loans	Long Term	24.03	ACUITE BBB-/Stable (Assigned)
	Term Loans	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 (Withdrawn) Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	25.00	ACUITE BB (Withdrawn) Issuer not co-operating*
Term Loan	Not Available	Not Available	Not Available	24.03	ACUITE BB (Withdrawn) Issuer not co-operating*
Term Loan	Not Available	Not Available	Not Available	4.08	ACUITE BB (Withdrawn) Issuer not co-operating*
SLC	Not Applicable	Not Applicable	Not Applicable	2.70	ACUITE A4+ (Withdrawn) Issuer not co-operating*
ILC	Not Applicable	Not Applicable	Not Applicable	4.86	ACUITE A4+ (Withdrawn) Issuer not co-operating*
ILC	Not Applicable	Not Applicable	Not Applicable	6.00	ACUITE A4+ (Withdrawn) Issuer not co-operating*

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

Contacts

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About Acuité Ratings & Research:

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