

## Press Release

### Sri Vasudeva Sawmill And Wood Works

April 26, 2019

### Rating Update



<b>Total Bank Facilities Rated*</b>	Rs. 8.50 Cr. #
<b>Long Term Rating</b>	ACUITE B+ Issuer not co-operating*
<b>Short Term Rating</b>	ACUITE A4 Issuer not co-operating*

# Refer Annexure for details

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

Acuite has reviewed long-term rating of „**ACUITE B+** (read as **ACUITE B plus**) and short term rating of „**ACUITE A4** (read as **ACUITE A four**) on the Rs. 8.50 crore bank facilities of Sri Vasudeva Sawmill And Wood Works. This rating is now an indicative rating and is based on best available information.

Vellore (Tamil Nadu) based Sri Vasudeva Saw Mill & Wood Works (SVSMWW) was established in 1980 as a proprietary firm by Mr. V. Vardharajan, Mr. A. C. Vasudevan, Ms. Girija and Mr. V Devarajan. Later, the constitution has been changed to partnership firm in 2012. The firm is engaged in processing and trading of timber and procures 100 percent of its raw material (wooden logs) from Africa and South American countries. The firm caters to domestic clients mainly to local construction and furniture manufacturers in Tamil Nadu and southern states of India. Further the firm has installed capacity of 100 cubic meters/ month.

#### 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>
- Manufacturing Entities- <https://www.acuite.in/view-rating-criteria-4.htm>
- Trading Entities- <https://www.acuite.in/view-rating-criteria-6.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.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 - Key Financials

	Unit	FY17 (Actual)	FY16 (Actual)	FY15 (Actual)
Operating Income	Rs. Cr.	5.84	7.30	6.62
EBITDA	Rs. Cr.	0.41	0.41	0.29
PAT	Rs. Cr.	0.01	0.03	0.02
EBITDA Margin	(%)	7.09	5.62	4.32
PAT Margin	(%)	0.19	0.36	0.30
ROCE (%)	(%)	13.92	16.28	24.09

Total Debt/Tangible Net Worth	Times	1.69	2.43	2.10
PBDIT/Interest	Times	1.04	1.08	1.13
Total Debt/PBDIT	Times	4.24	4.92	5.56
Gross Current Assets (Days)	Days	401	305	370

#### 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
15-May-2018	Over Draft	Long Term	INR 2	ACUITE B+ / Stable (Assigned)
	Letter of Credit	Short Term	INR 5.5	ACUITE A4 (Assigned)
	Proposed	Long Term	INR 1	ACUITE B+ / 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
Over Draft	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE B+ Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	5.50	ACUITE A4 Issuer not co-operating*
Proposed	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE B+ Issuer not co-operating*

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

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**About Acuité Ratings & Research:**

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