

Press Release

Sivaguru Spinning Mills Private Limited

September 06, 2019

Rating Update



Total Bank Facilities Rated	Rs. 28.00 Cr. #
Long Term Rating	ACUITE D (Downgraded from ACUITE B+/Stable) Issuer not co-operating*
Short Term Rating	ACUITE D (Downgraded from ACUITE A4) Issuer not co-operating*

Refer Annexure for details

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

Acuite has downgraded the long-term rating to '**ACUITE D**' (read as **ACUITE D**) from '**ACUITE B+**' (read as **ACUITE B plus**) and short-term rating to '**ACUITE D**' (read as **ACUITE D**) from '**ACUITE A4**' (read as **ACUITE A four**) on the Rs. 28.00 crore bank facilities of SIVAGURU SPINNING MILLS PRIVATE LIMITED (SSMPL). This rating is now an indicative rating and is based on best available information.

Rating downgrade is on account of irregularities in the repayment of debt obligation due to stretched liquidity position.

Sivaguru Spinning Mills Pvt Ltd (SSMPL) was established in the year 2010 based at Coimbatore in Tamil Nadu (India). Mr. Sivakumar is the Promoter of the company, who has around 2 decades of experience in the spinning industry. Company is engaged in manufacturing of recycled yarns.

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/view-rating-criteria-17.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). 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

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

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
17-Jul-2018	Cash Credit	Long Term	15.00	ACUITE B+ / Stable (Assigned)
	Term Loan	Long Term	0.56	ACUITE B+ / Stable (Assigned)
	Term Loan	Long Term	1.01	ACUITE B+ / Stable (Assigned)
	Term Loan	Long Term	2.81	ACUITE B+ / Stable (Assigned)
	Term Loan	Long Term	0.10	ACUITE B+ / Stable (Assigned)
	Term Loan	Long Term	0.04	ACUITE B+ / Stable (Assigned)
	Proposed Term Loan	Long Term	6.19	ACUITE B+ / Stable (Assigned)
	Proposed Cash Credit	Long Term	2.00	ACUITE B+ / Stable (Assigned)
	Bank Guarantee	Short Term	0.29	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	15.00	ACUITE D (Downgraded from ACUITE B+/Stable) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.56	ACUITE D (Downgraded from ACUITE B+/Stable) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	1.01	ACUITE D (Downgraded from ACUITE B+/Stable) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	2.81	ACUITE D (Downgraded from ACUITE B+/Stable) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.10	ACUITE D (Downgraded from ACUITE B+/Stable) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.04	ACUITE D (Downgraded from ACUITE B+/Stable) Issuer not co-operating*
Proposed Term Loan	Not Applicable	Not Applicable	Not Applicable	6.19	ACUITE D (Downgraded from ACUITE B+/Stable) Issuer not co-operating*
Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE D (Downgraded from ACUITE B+/Stable) Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	0.29	ACUITE D (Downgraded from ACUITE A4) Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
Aditya Gupta Head - Corporate and Infrastructure Sector Ratings Tel: 022-49294041 aditya.gupta@acuite.in Saurabh Rane Analyst - Rating Operations Tel: 02249294034 Saurabh.Rane@acuite.in	Varsha Bist Manager - Rating Desk Tel: 022-49294011 rating.desk@acuite.in

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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