

## Press Release

Sri Rama Spin Cot

May 16, 2022



### Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	0.03	-	ACUITE A4   Reaffirmed   Issuer not co-operating*
Bank Loan Ratings	10.31	ACUITE B   Reaffirmed   Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	10.34	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

### Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE B**' (read as **ACUITE B**) and the short-term rating of '**ACUITE A4**' (read as **ACUITE A Four**) on the Rs.10.34 Crore bank facilities of Sri Rama Spin Cot. The rating continues to be flagged as "Issuer Not Cooperating" and is based on the best available information.

### About the Company

SRSC was established as a partnership firm in 2015 and commenced its operations in December 2016. The firm is promoted by Mr. Pachipulusu Raghava Rao who has more than four decades of experience in the Cotton industry and his sons, Mr. P Satish and P Vijay Shankar are the other partners of the firm having more than two decades of experience in cotton industry. SRSC is engaged in ginning and pressing of raw cotton to produce cotton lint and seeds. The manufacturing facility is located at Guntur (Andhra Pradesh). The plant is equipped with 24 ginning machines and a fully automatic pressing machine with a production capacity of 180 cotton bales per day.

### 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.

### 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 endeavored 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.

### Rating Sensitivity

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

### Material Covenants

None

### Liquidity Position

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

### Outlook

Not Applicable

### Status of non-cooperation with previous CRA

ICRA, vide its press release dated November 16, 2021 had denoted the rating of Sri Rama Spin Cot as [ICRA]B(Stable)/[ICRA]A4; ISSUER NOT COOPERATING; on account of lack of adequate information required for monitoring of ratings. The earlier rating, however, stood at "[ICRA]B(Stable)/[ICRA]A4 ISSUER NOT COOPERATING"; vide its press release dated September 28, 2020.

### 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

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

### Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

### Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
10 Feb 2021	Bank Guarantee	Short Term	0.03	ACUITE A4 (Issuer not co-operating*)
	Term Loan	Long Term	1.37	ACUITE B (Issuer not co-operating*)
	Cash Credit	Long Term	8.90	ACUITE B (Issuer not co-operating*)
	Proposed Long Term Loan	Long Term	0.04	ACUITE B (Issuer not co-operating*)
27 Nov 2019	Proposed Long Term Loan	Long Term	0.04	ACUITE B (Issuer not co-operating*)
	Term Loan	Long Term	1.37	ACUITE B (Issuer not co-operating*)
	Bank Guarantee	Short Term	0.03	ACUITE A4 (Issuer not co-operating*)
	Cash Credit	Long Term	8.90	ACUITE B (Issuer not co-operating*)
20 Sep 2018	Cash Credit	Long Term	8.90	ACUITE B   Stable (Assigned)
	Term Loan	Long Term	1.37	ACUITE B   Stable (Assigned)
	Proposed Long Term Loan	Long Term	0.04	ACUITE B   Stable (Assigned)
	Bank Guarantee	Short Term	0.03	ACUITE A4 (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Punjab National Bank	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	0.03	ACUITE A4   Reaffirmed   Issuer not co-operating*
Punjab National Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	8.90	ACUITE B   Reaffirmed   Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	0.04	ACUITE B   Reaffirmed   Issuer not co-operating*
Punjab National Bank	Not Applicable	Term Loan	Not available	Not available	Not available	1.37	ACUITE B   Reaffirmed   Issuer not co-operating*

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### About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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