

## Press Release

### Sri Vyjayanthi Labs Private Limited

April 15, 2020

### Rating Update



<b>Total Bank Facilities Rated#</b>	Rs.8.00 Cr.
<b>Long Term Rating</b>	ACUITE BB- (Downgraded from ACUITE BB/Stable) 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.

### Rating Rationale

Acuité has downgraded the long-term rating to '**ACUITE BB-**' (read as **ACUITE double B Minus**) from '**ACUITE BB**' (read as **ACUITE double B**) and reviewed the short-term rating to '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs.8.00 crore bank facilities of Sri Vyjayanthi Labs Private Limited (SVPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

SVPL, incorporated in July 1982, was taken over by the current management Mr. Mudunuri Venkata Satyanarayana Raju and Mrs. Sree Devi Mudunuri in 2008 from the previous management. The company is engaged in the manufacture of active pharmaceutical ingredients (APIs) and pharmaceutical intermediates. SPPL has its manufacturing facility at J.N.Pharma City in Visakhapatnam with an installed capacity of 50 Metric Tons Per annum.

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

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.

### Applicable Criteria

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

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

None

### Any other information

Acuité 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
12-Feb-2019	Proposed Cash Credit	Long Term	5.00	ACUITE BB/Stable (Assigned)
	Term Loans	Long Term	1.50	ACUITE BB/Stable (Assigned)
	Proposed Letter of credit	Short Term	1.50	ACUITE A4+ (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
Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE BB- Issuer not co-operating* (Downgraded from ACUITE BB/Stable)
Term Loans	Not Available	Not Applicable	Not Available	1.50	ACUITE BB- Issuer not co-operating* (Downgraded from ACUITE BB/Stable)
Proposed Letter of credit	Not Applicable	Not Applicable	Not Applicable	1.50	ACUITE A4+ 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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