

## Press Release

**Sree Lalitha Parameswari Spinning Mills Private Limited**

October 11, 2021



### Rating Withdrawn

<b>Total Bank Facilities Rated</b>	Rs. 88.01 Cr.#
<b>Long Term Rating</b>	ACUITE BB (Withdrawn; Issuer not co-operating*)
<b>Short Term Rating</b>	ACUITE A4+ (Withdrawn; Issuer not co-operating*)

# Refer Annexure for details

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

### Rating Rationale

Acuité has withdrawn the long-term rating of '**ACUITE BB**' (**read as ACUITE double B**) and short-term rating of '**ACUITE A4+**' (**read as ACUITE A four plus**) on the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.88.01 crore bank facilities of Sree Lalitha Parameswari Spinning Mills Private Limited. The rating withdrawal is in accordance with Acuité's policy on withdrawal of rating. The rating continues to be flagged as "Issuer Not-Cooperating".

The rating is being withdrawn on account of request received from the company and NOC from the banker.

Sree Lalitha Parameswari Spinning Mills Private Limited incorporated in the year 2005; is one of the leading mills in India which produces high quality medium and fine count cotton yarn for sensitive consumers in India and in several other nations. The company is engaged in the business of cotton spinning mills. It is based near Chebrolu Donka (towards Tenali) Narakoduru, Chebrolu, Guntur District, in Andhra Pradesh. SLPSPML was one of the first spinning mills to open in Guntur area. The company is currently managed by D. Surya Prakasa Rao. The company manufactures 100% combed compact yarns usually used in premium shirting in the count of 40s and 60s. The yarns manufactured by the SLPSPML are usually sold at a higher price range of Rs. 300 – Rs. 400.

#### 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.

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 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.

#### Liquidity Position

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

#### Rating Sensitivities

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

### 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

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
13-July-2020	Cash Credit	Long Term	30.00	ACUITE BB (Downgraded & Indicative)
	Term Loan	Long Term	47.97	ACUITE BB (Downgraded & Indicative)
	Standby Line of Credit	Short Term	4.50	ACUITE A4+ (Downgraded & Indicative)
	Letter of Credit	Short Term	5.50	ACUITE A4+ (Downgraded & Indicative)
	Bank Guarantee	Short Term	0.04	ACUITE A4+ (Downgraded & Indicative)
06-May-2019	Cash Credit	Long Term	30.00	ACUITE BBB-/Stable (Reaffirmed)
	Term Loan	Long Term	47.97	ACUITE BBB-/Stable (Reaffirmed)
	Standby Line of Credit	Short Term	4.50	ACUITE A3 (Reaffirmed)
	Letter of Credit	Short Term	5.50	ACUITE A3 (Reaffirmed)
	Bank Guarantee	Short Term	0.04	ACUITE A3 (Reaffirmed)
01-April-2019	Cash Credit	Long Term	30.00	ACUITE BBB-/Stable (Assigned)
	Term Loan	Long Term	44.96	ACUITE BBB-/Stable (Assigned)
	Standby Line of Credit	Short Term	4.50	ACUITE A3 (Assigned)
	Letter of Credit	Short Term	5.50	ACUITE A3 (Assigned)
	Bank Guarantee	Short Term	0.04	ACUITE A3 (Assigned)

**\*Annexure – Details of instruments rated**

Lender Name	Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
State Bank of India	Cash Credit	Not Applicable	Not Applicable	Not Applicable	30.00	ACUITE BB (Withdrawn; Issuer not co-operating*)
State Bank of India	Term Loan	Not Available	Not Available	Not Available	47.97	ACUITE BB (Withdrawn; Issuer not co-operating*)
State Bank of India	Standby Line of Credit	Not Applicable	Not Applicable	Not Applicable	4.50	ACUITE A4+ (Withdrawn; Issuer not co-operating*)
State Bank of India	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	5.50	ACUITE A4+ (Withdrawn; Issuer not co-operating*)
State Bank of India	Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	0.04	ACUITE A4+ (Withdrawn; Issuer not co-operating*)

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**About Acuité Ratings & Research:**

Acuité Ratings & Research 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 8,850 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 KanjurMarg, Mumbai.

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