

Press Release

Sree Satyanarayana Spinning Mills Limited

August 22, 2019

Rating Update



Total Bank Facilities Rated*	Rs. 28.64 Cr. #
Long Term Rating	ACUITE BBB Issuer not co-operating*
Short Term Rating	ACUITE A2 Issuer not co-operating*

Refer Annexure for details

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

Acuité has reviewed long-term rating of '**ACUITE BBB**' (read as **ACUITE triple B**) and short-term rating of '**ACUITE A2**' (read as '**ACUITE A two**') on the Rs. 28.64 crore bank facilities of SREE SATYANARAYANA SPINNING MILLS LIMITED (SSML). This rating is now an indicative rating and is based on best available information.

Sree Satyanarayana Spinning Mills Limited (SSML), incorporated on 23 July, 1962, was promoted by Mr. Mullapudi Harishchandra Prasad and Mr. Pendyala Narayana Rao Chowdhary. Currently, the operations are managed by Mr. E. Sathyanarayana (Managing Director and CEO), Mr. Pendyala Narayana Rao Chowdhary, among others. The company has installed capacity of 50,048 spindles and is engaged in manufacturing of cotton yarn at Tanuku in Andhra Pradesh.

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.

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). 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)

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
18-June-2018	Cash Credit	Long Term	13.00	ACUITE BBB / Stable (Reaffirmed)
	Term Loan	Long Term	12.31	ACUITE BBB / Stable (Reaffirmed)
	Letter of credit	Short Term	3.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee	Short Term	0.25	ACUITE A2 (Reaffirmed)
	Proposed short term loan	Short Term	0.08	ACUITE A2 (Reaffirmed)
16-Oct-2017	Cash Credit	Long Term	13.00	ACUITE BBB / Stable (Reaffirmed)
	Term Loan	Long Term	12.31	ACUITE BBB / Stable (Reaffirmed)
	Letter of credit	Short Term	3.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee	Short Term	0.25	ACUITE A2 (Reaffirmed)
	Proposed short term loan	Short Term	0.08	ACUITE A2 (Reaffirmed)
01-April-2016	Bank Guarantee	Short Term	0.25	ACUITE A2 (Reaffirmed)
	Letter of credit	Short Term	1.00	ACUITE A2 (Reaffirmed)
	Derivative Exposure	Short Term	0.01	ACUITE A2 (Assigned)
	Cash Credit	Long Term	8.00	ACUITE BBB / Stable (Reaffirmed)
	Term Loan	Long Term	13.82	ACUITE BBB / Stable (Reaffirmed)
24-June-2015	Cash Credit	Long Term	2.50	ACUITE BBB / Stable (Assigned)
	Bank Guarantee	Short Term	0.25	ACUITE A2 (Assigned)
	Proposed long term loan	Long Term	14.00	ACUITE BBB / Stable (Assigned)
	Letter of credit	Short Term	1.00	ACUITE A2 (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	13.00	ACUITE BBB Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	12.31	ACUITE BBB Issuer not co-operating*
Letter of credit	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE A2 Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	0.25	ACUITE A2 Issuer not co-operating*
Proposed short term loan	Not Applicable	Not Applicable	Not Applicable	0.08	ACUITE A2 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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