

Sri Varadaraja Textiles Private Limited

November 28, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	10.99	CARE B-; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

*Issuer did not cooperate; based on best available information.

Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated October 17, 2023, placed the rating(s) of Sri Varadaraja Textiles Private Limited (SVTPL) under the 'issuer non-cooperating' category as SVTPL had failed to provide information for monitoring of the rating as agreed to in its Rating Agreement. SVTPL continues to be non-cooperative despite repeated requests for submission of information through e-mails dated September 01, 2024, September 11, 2024, September 21, 2024 among others.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers:

Please refer to PR dated [October 17, 2023](#)

Applicable criteria

[CARE Rating's criteria on information adequacy risk and issuer non-cooperation](#)

[Policy on Default Recognition](#)

[Criteria on assigning outlook and credit watch](#)

About the Company

Sri Varadaraja Textiles Private Limited (SVTPL) was established in 1952 by late Mr. G V Doraiswamy Naidu, S/o. Late Mr. P SG Venkataswamy Naidu, who was one of the founders of PSG group of institutions. The management of SVTPL was taken over by Mr. D Varadaraja, after the death of his father, Mr. G V Doraiswamy Naidu. After the demise of Mr. Varadaraja, Mrs. Krishnaveni, W/o. of Mr. Varadaraja took over the management of the company with the support of Ms. Sudarshini, their daughter Mr. Vishnuvardhan, their Son-in-law and Mr. D Krishnamurthy, brother of late Mr. Varadaraja. SVTPL has two units namely Unit –I with an installed capacity of 21,436 spindles and Unit-II with an installed capacity of 6,000 spindles. The company produces yarn in counts of 40s, 60, 80s and 100s depending upon the specifications and the urgency of the orders.

Status of non-cooperation with previous CRA: CRISIL has moved the ratings assigned to the bank facilities of SVTPL to the 'issuer not-cooperating' category vide press release dated August 19, 2024 on account of its inability to carryout review in the absence of requisite information from the company.

Any other information: Not Applicable

Rating History for last three years: Annexure-2

Covenants of rated instruments/facilities: Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

¹Complete definition of ratings assigned are available at www.careedge.in and other CARE Ratings Limited's publications.

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	10.00	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	August 2022	0.99	CARE B-; Stable; ISSUER NOT COOPERATING*

*Issuer did not cooperate; based on best available information.

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Term Loan	LT	0.99	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (17-Oct-23)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (12-Sep-22)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (23-Jul-21)
2	Fund-based - LT-Cash Credit	LT	10.00	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (17-Oct-23)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (12-Sep-22)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (23-Jul-21)

*Issuer did not cooperate; based on best available information.

LT: Long term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not Applicable**Annexure-4: Complexity level of instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of rated instruments: CARE Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

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About us:

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Disclaimer:

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