

## Sri Lakshmi Godavari Spinning Mills Private Limited

August 05, 2025

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	13.85	CARE D; ISSUER NOT COOPERATING*	Rating moved to ISSUER NOT COOPERATING category
Long Term / Short Term Bank Facilities	68.00	CARE D / CARE D; ISSUER NOT COOPERATING*	Rating moved to ISSUER NOT COOPERATING category
Short Term Bank Facilities	1.38	CARE D; ISSUER NOT COOPERATING*	Rating moved to 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 has been seeking information from Sri Lakshmi Godavari Spinning Mills Private Limited to monitor the rating vide email, communications dated 22nd April, 2025, 29th April, 2025, 5th May, 2025, and various phone calls on the above subject. However, despite our repeated requests, the company has not provided requisite information for monitoring of rating. 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. The rating on Sri Lakshmi Godavari Spinning Mills Private Limited's bank facilities and/or instruments will now be denoted as **CARE D; ISSUER NOT COOPERATING\***.

**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

### Detailed description of key rating drivers:

At the time of last rating on April 05, 2024, following were the key rating weaknesses:

#### Key weaknesses

##### Delays in Debt Servicing Obligations

As per the banker interaction, the company has been classified under Non-Performing Asset (NPA), due to delays in the repayment of its working capital and GECL loan obligations. The account was initially classified under the SMA category in January 2025 and has since witnessed continued delays in debt servicing.

##### Liquidity: Poor

The company's liquidity is poor, as reflected in the delays in debt servicing obligations due to insufficient cash accruals against its repayment.

### Applicable criteria

[Definition of Default](#)

[Information Adequacy Risk and Issuer Non-Cooperation](#)

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

[Financial Ratios – Non financial Sector](#)

[Short Term Instruments](#)

<sup>1</sup>Complete definition of ratings assigned are available at [www.careratings.com](http://www.careratings.com) and other CARE Ratings Limited's publications.

## About the company and industry

### Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer Discretionary	Textiles	Textiles & Apparels	Other Textile Products

Sri Lakshmi Godavari Spinning Mills Private Limited (SLGSMPL) was incorporated on 12th September 2005. The company manufactures cotton yarn at its unit in Guntur, Andhra Pradesh. The company was initially set up with 18,000 spindles which has now been scaled up to 61,008 spindles. Sri. Vummaneni Siva Nageswara Rao, his wife Smt. Vummaneni Lalitha Kumari and Mr. Kandru Subbarao are the promoters of the company. The promoters are having business experience in the processing of Mineral Water, Financing business and Real Estate for close to two decades.

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)
Total operating income	135.74	204.09
PBILDT	13.91	4.61
PAT	1.90	-8.16
Overall gearing (times)	1.31	1.43
Interest coverage (times)	2.24	0.55

A: Audited UA: Unaudited; Note: these are latest available financial results

**Status of non-cooperation with previous CRA:** Brickwork Ratings has categorized the rated bank facilities of SLGSMPL under the non-cooperation category vide PR dated May 09, 2025, on account of its inability to carry out a rating exercise in the absence of the requisite information from the company.

**Any other information:** Not Applicable

**Rating history for last three years:** Annexure-2

**Detailed explanation of covenants of rated instrument / facility:** Annexure-3

**Complexity level of instruments rated:** Annexure-4

**Lender details:** Annexure-5

**Annexure-1: Details of instruments/facilities**

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Working capital Term Loan		-	-	30/06/2028	13.85	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT/ ST-CC/PC/Bill Discounting		-	-	-	68.00	CARE D / CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	1.18	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Forward Contract		-	-	-	0.20	CARE D; 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 2025-2026	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
1	Fund-based - LT-Term Loan	LT	-	-	-	-	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING * (23-Sep-22)  2)Withdrawn (23-Sep-22)  3)CARE BB-; Stable; ISSUER NOT COOPERATING * (07-Jul-22)
2	Fund-based - LT-Cash Credit	LT	-	-	-	-	-	1)Withdrawn (23-Sep-22)  2)CARE BB-; Stable; ISSUER NOT

								COOPERATING * (23-Sep-22)  3)CARE BB-; Stable; ISSUER NOT COOPERATING * (07-Jul-22)
3	Non-fund-based - ST-Bank Guarantee	ST	-	-	-	-	-	1)CARE A4; ISSUER NOT COOPERATING * (23-Sep-22)  2)Withdrawn (23-Sep-22)  3)CARE A4; ISSUER NOT COOPERATING * (07-Jul-22)
4	Non-fund-based - ST-Forward Contract	ST	-	-	-	-	-	1)Withdrawn (23-Sep-22)  2)CARE A4; ISSUER NOT COOPERATING * (23-Sep-22)  3)CARE A4; ISSUER NOT COOPERATING * (07-Jul-22)
5	Fund-based - LT/ ST-CC/PC/Bill Discounting	LT/S T	68.00	CARE D / CARE D; ISSUER NOT COOPERATING *	1)CARE D / CARE D (07-May- 25)	1)CARE BB; Stable / CARE A4 (18-Jun- 24)	1)CARE BB; Stable / CARE A4 (05-Jun- 23)	-
6	Fund-based - LT- Working capital Term Loan	LT	13.85	CARE D; ISSUER NOT COOPERATING *	1)CARE D (07-May- 25)	1)CARE BB; Stable (18-Jun- 24)	1)CARE BB; Stable (05-Jun- 23)	-
7	Non-fund-based - ST-Forward Contract	ST	0.20	CARE D; ISSUER NOT COOPERATING *	1)CARE D (07-May- 25)	1)CARE A4 (18-Jun- 24)	1)CARE A4 (05-Jun- 23)	-
8	Non-fund-based - ST-Bank Guarantee	ST	1.18	CARE D; ISSUER NOT	1)CARE D (07-May- 25)	1)CARE A4	1)CARE A4	-

				COOPERATING *		(18-Jun-24)	(05-Jun-23)	
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\*Issuer did not cooperate; based on best available information.

LT: Long term; ST: Short term; LT/ST: Long term/Short 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-Working capital Term Loan	Simple
2	Fund-based - LT/ ST-CC/PC/Bill Discounting	Simple
3	Non-fund-based - ST-Bank Guarantee	Simple
4	Non-fund-based - ST-Forward Contract	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.

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