

Press Release

Vrijesh Corporation

December 16, 2019

Rating Update



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|-------------------------------------|---|
| Total Bank Facilities Rated* | Rs. 13.75 Cr. # |
| Long Term Rating | ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating* |
| Short Term Rating | ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating* |

Refer Annexure for details

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

Acuité has downgraded the long-term rating of Vrijesh Corporation (VC) to **'ACUITE BB+' (read as ACUITE double B plus)** from **'ACUITE BBB-' (read as ACUITE triple B minus)** and the short-term rating to **'ACUITE A4+' (read as ACUITE A four plus)** from **'ACUITE A3' (read as ACUITE A three)** on the Rs. 13.75 crore bank facilities. The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

VC, established in 1970, is a Mumbai-based partnership firm founded by Mr. C. L. Agarwal. VC is primarily engaged in the trading of yarn (sourced through imports) and fabric. The firm also undertakes export of apparels, accessories and home textiles, which are designed in-house and manufactured by group entities.

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>
- Trading Entities - <https://www.acuite.in/view-rating-criteria-61.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 endeavored 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 (Up to last three years)

| Date | Name of Instrument / Facilities | Term | Amount (Rs. Cr.) | Ratings/Outlook |
|-------------|---------------------------------|------------|------------------|---------------------------------|
| 10-Sep-2019 | Packing Credit | Long Term | 10.00 | ACUITE BBB- (Indicative) |
| | Letter of Credit | Short Term | 3.50 | ACUITE A3 (Indicative) |
| | Bank Guarantee | Short Term | 0.25 | ACUITE A3 (Indicative) |
| 20-Jun-2018 | Packing Credit | Long Term | 10.00 | ACUITE BBB- (Indicative) |
| | Letter of Credit | Short Term | 3.50 | ACUITE A3 (Indicative) |
| | Bank Guarantee | Short Term | 0.25 | ACUITE A3 (Indicative) |
| 24-Oct-2017 | Packing Credit | Long Term | 10.00 | ACUITE BBB-/Stable (Reaffirmed) |
| | Letter of Credit | Short Term | 3.50 | ACUITE A3 (Reaffirmed) |
| | Bank Guarantee | Short Term | 0.25 | ACUITE A3 (Reaffirmed) |

#Annexure – Details of instruments rated

| Name of the Facilities | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. Cr.) | Ratings |
|------------------------|------------------|----------------|----------------|-----------------------------|---|
| Packing Credit | Not Applicable | Not Applicable | Not Applicable | 10.00 | ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating* |
| Letter of Credit | Not Applicable | Not Applicable | Not Applicable | 3.50 | ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating* |
| Bank Guarantee | Not Applicable | Not Applicable | Not Applicable | 0.25 | ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating* |

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

Contacts

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|---|---|
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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (erstwhile SMERA Ratings 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 6,000 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 Mumbai.

Disclaimer: *An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuité ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuité ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité.*