

Press Release

Vasantha Advanced Systems

May 09, 2019

Rating Update



Total Bank Facilities Rated*	Rs. 9.44 Cr. #
Long Term Rating	ACUITE B+ Issuer not co-operating*
Short Term Rating	ACUITE A4 Issuer not co-operating*

Refer Annexure for details

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

Acuite has reviewed long-term rating of „**ACUITE B+** (read as **ACUITE B plus**) and short term rating of '**ACUITE A4** (read as '**ACUITE A four**)' on the Rs. 9.44 crore bank facilities of Vasantha Advanced Systems. This rating is now an indicative rating and is based on best available information.

Established in 1995, VAS is a Coimbatore-based proprietorship firm engaged in manufacturing of micro control based electronic controllers, assembling high quality Printed Circuit Boards (PCB) and Coils. The firm was established by Mr. S. Chidambaramanathan. The day to day operations are managed by (operations), Mr. Karthikeyan alias Mr. K.R. Arthanareeswarar (CEO) and Mr. Jafer Sadiq (CFO).

Non-cooperation by the issuer/borrower

Acuite 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 Acuite's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Financial Ratios And Adjustments - <https://www.smera.in/criteria-fin-ratios.htm>
- Manufacturing Entities - <https://www.smera.in/criteria-manufacturing.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). Acuite endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

	Unit	FY17 (Actual)	FY16 (Actual)	FY15 (Actual)
Operating Income	Rs. Cr.	48.24	39.14	21.74
EBITDA	Rs. Cr.	1.71	1.10	1.09
PAT	Rs. Cr.	0.41	0.41	0.30
EBITDA Margin	(%)	3.55	2.81	5.02
PAT Margin	(%)	0.86	1.04	1.37
ROCE (%)	(%)	10.60	15.32	9.46
Total Debt/Tangible Net Worth	Times	1.66	2.32	0.93
PBDIT/Interest	Times	3.43	2.07	3.30
Total Debt/PBDIT	Times	4.67	2.29	3.78
Gross Current Assets (Days)	Days	65	60	125

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any other information

Not Applicable "Acuite 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
08-Mar-2018	Proposed Bank Facility	Long Term	INR 0.12	ACUITE B+ / Stable
	Term Loan	Long Term	INR 4	ACUITE B+ / Stable
	Cash Credit	Long Term	INR 3.5	ACUITE B+ / Stable
	Bank Guarantee	Short Term	INR 0.4	ACUITE A4
	Term Loan	Long Term	INR 0.45	ACUITE B+ / Stable
	Term Loan	Long Term	INR 0.97	ACUITE B+ / Stable
01-Dec-2016	Term Loan	Long Term	INR 0.91	ACUITE B+ / Stable
	Term Loan	Long Term	INR 0.33	ACUITE B+ / Stable
	Term Loan	Long Term	INR 4	ACUITE B+ / Stable
	Cash Credit	Long Term	INR 3.5	ACUITE B+ / Stable
	Letter of Credit	Short Term	INR 0.3	ACUITE A4
	Bank Guarantee	Short Term	INR 0.4	ACUITE A4
23-Jul-2015	Term Loan	Long Term	INR 0.91	ACUITE BB- / Stable
	Term Loan	Long Term	INR 0.33	ACUITE BB- / Stable
	Proposed Long Term Loan	Long Term	INR 4	ACUITE BB- / Stable
	Cash Credit	Long Term	INR 3	ACUITE BB- / Stable
	Proposed Cash Credit	Long Term	INR 0.5	ACUITE BB- / Stable
	Letter of Credit	Short Term	INR 0.3	ACUITE A4
	Bank Guarantee	Short Term	INR 0.4	ACUITE A4

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Term loans	Not Applicable	Not Applicable	Not Applicable	0.45	ACUITE B+ Issuer not co-operating*
Term loans	Not Applicable	Not Applicable	Not Applicable	0.97	ACUITE B+ Issuer not co-operating*
Term loans	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE B+ Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	3.50	ACUITE B+ Issuer not co-operating*
Bank guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	0.40	ACUITE A4 Issuer not co-operating*
Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	0.12	ACUITE B+ Issuer not co-operating*

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

Contacts

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About Acuite Ratings & Research:

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