Press Release

Vallabh Textiles Company Limited

November 13, 2020

Rating Update

Total Bank Facilities Rated*	Rs. 200.00 Cr.#
Long Term Rating	ACUITE D Issuer not co-operating*
Short Term Rating	ACUITE D Issuer not co-operating*

#Refer Annexure for details
**The issuer did not co-operate; based on best available information.*

Acuité has reviewed the long-term rating of **'ACUITE D' (read as ACUITE D**) and the short term rating of **'ACUITE D (read as ACUITE D)** on the Rs. 200.00 crore bank facilities of Vallabh Textile Company Limited (VTCL). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on best available information.

The Punjab-based VTCL, incorporated in June 2002, is part of the Vallabh group. Founded by Mr. Kapil Jain in 1981, the company is engaged in the manufacture of terry towels and bathrobes. About 100 per cent of the production of terry towel is exported to Australia, USA, Europe, Japan and others, while the yarn is sold in India through wholesalers. The raw material is purchased from suppliers in Punjab, Haryana and Rajasthan.

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-52.htm
- Manufacturing Entities - https://www.acuite.in/view-rating-criteria-59.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 attempts.

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

None

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
21 Aug, 2019	Cash Credit	Long Term	93.00	ACUITE D (Downgraded from ACUITE BB-/Stable) Issuer not co-operating*
	Term Loan	Long Term	100.34	ACUITE D (Downgraded from ACUITE BB-/Stable) Issuer not co-operating*
	Letter of Credit	Short Term	6.00	ACUITE D (Downgraded from ACUITE A4) Issuer not cooperating*
	Proposed Facilities	Long Term	0.66	ACUITE D (Downgraded from ACUITE BB-/Stable) Issuer not co-operating*
04 July, 2019	Cash Credit	Long Term	93.00	ACUITE BB- Issuer not co-operating*
	Term Loan	Long Term	100.34	ACUITE BB- Issuer not co-operating*
	Letter of Credit	Short Term	6.00	ACUITE A4 Issuer not cooperating*
	Proposed Facilities	Long Term	0.66	ACUITE BB- (Issuer not co-operating*
19 Apr, 2018	Cash Credit	Long Term	93.00	ACUITE BB- (Downgraded from ACUITE BBB-/Stable) Issuer not co-operating*
	Term Loan	Long Term	100.34	ACUITE BB- (Downgraded from ACUITE BBB-/Stable) Issuer not co-operating*
	Letter of Credit	Short Term	6.00	ACUITE A4 (Downgraded from ACUITE A3) Issuer not cooperating*
	Proposed Facilities	Long Term	0.66	ACUITE BB- (Downgraded from ACUITE BBB-/Stable) Issuer not co-operating*

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

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	93.00	ACUITE D (Issuer Not co-operating)
Term Loan	Not Available	Not Applicable	Not Available	100.34	ACUITE D (Issuer Not co-operating)
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	6.00	ACUITE D (Issuer Not co-operating)
Proposed Facilities	Not Applicable	Not Applicable	Not Applicable	0.66	ACUITE D (Issuer Not co-operating)

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

Contacts

Analytical	Rating Desk
Aditya Gupta Head- Corporate and Infrastructure Sector Ratings Tel: 022-49294041 aditya.gupta@acuite.in Avadhoot Mane Analyst - Rating Operations Tel: 022-49294052 avadhootmane@acuite.in	Varsha Bist Senior Manager - Rating Desk Tel: 022-49294011 rating.desk@acuite.in

About Acuité Ratings & Research:

Acuité Ratings & Research 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.