

Press Release

Vrijesh Natural Fibre & Fabrics (India) Private Limited

May 20, 2022



Rating Downgraded, Reaffirmed and Issuer not co-operating

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|------------------------------------|---------------------|--|--|
| Bank Loan Ratings | 11.00 | - | ACUITE A4+ Reaffirmed Issuer not co-operating* |
| Bank Loan Ratings | 11.32 | ACUITE BB- Downgraded Issuer not co-operating* | - |
| Total Outstanding Quantum (Rs. Cr) | 22.32 | - | - |
| Total Withdrawn Quantum (Rs. Cr) | 0.00 | - | - |

Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE BB-**' (read as **ACUITE double B minus**) from '**ACUITE BB**' (read as **ACUITE double B**) and reaffirmed the short-term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs. 22.32 crore bank facilities of Vrijesh Natural Fibre & Fabrics (India) Private Limited (Vrijesh Natural Fibre). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

About the Company

Incorporated in 1984, Vrijesh Natural Fibre is a Mumbai-based company promoted by Mr. C. L. Agarwal and family. The company is engaged in the manufacture of linen fabrics, scarves and home textile products at Vapi, Gujarat. The installed capacity stands at 250 MTPA.

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 the due date.

This rating continues to be flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

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 endeavored 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

The rated entity has not shared the latest financial statements despite repeated requests.

Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

Material Covenants

None

Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

Outlook

None

Status of non-cooperation with previous CRA

None

Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

| Date | Name of Instruments/Facilities | Term | Amount (Rs. Cr) | Rating/Outlook |
|-------------|--------------------------------|------------|-----------------|---|
| 16 Feb 2021 | Cash Credit | Long Term | 2.50 | ACUITE BB (Downgraded and Issuer not co-operating*) |
| | Term Loan | Long Term | 8.82 | ACUITE BB (Downgraded and Issuer not co-operating*) |
| | Letter of Credit | Short Term | 3.50 | ACUITE A4+ (Issuer not co-operating*) |
| | Post Shipment Credit | Short Term | 7.50 | ACUITE A4+ (Issuer not co-operating*) |
| 12 Dec 2019 | Post Shipment Credit | Short Term | 7.50 | ACUITE A4+ (Issuer not co-operating*) |
| | Term Loan | Long Term | 8.82 | ACUITE BB+ (Issuer not co-operating*) |
| | Letter of Credit | Short Term | 3.50 | ACUITE A4+ (Issuer not co-operating*) |
| | Cash Credit | Long Term | 2.50 | ACUITE BB+ (Issuer not co-operating*) |
| 29 Oct 2019 | Post Shipment Credit | Short Term | 7.50 | ACUITE A3+ (Issuer not co-operating*) |
| | Letter of Credit | Short Term | 3.50 | ACUITE A3+ (Issuer not co-operating*) |
| | Cash Credit | Long Term | 2.50 | ACUITE BBB (Issuer not co-operating*) |
| | Term Loan | Long Term | 8.82 | ACUITE BBB (Issuer not co-operating*) |
| 28 Jul | Cash Credit | Long Term | 2.50 | ACUITE BBB (Issuer not co-operating*) |
| | Post Shipment Credit | Short Term | 7.50 | ACUITE A3+ (Issuer not co-operating*) |

| | | | | |
|-------------|----------------------|------------|------|---------------------------------------|
| 2018 | Term Loan | Long Term | 8.82 | ACUITE BBB (Issuer not co-operating*) |
| | Letter of Credit | Short Term | 3.50 | ACUITE A3+ (Issuer not co-operating*) |
| 12 Aug 2017 | Cash Credit | Long Term | 2.50 | ACUITE BBB Stable (Reaffirmed) |
| | Post Shipment Credit | Short Term | 7.50 | ACUITE A3+ (Reaffirmed) |
| | Term Loan | Long Term | 8.82 | ACUITE BBB Stable (Reaffirmed) |
| | Letter of Credit | Short Term | 3.50 | ACUITE A3+ (Reaffirmed) |
| 13 Jan 2016 | Cash Credit | Long Term | 2.50 | ACUITE BBB Stable (Assigned) |
| | Post Shipment Credit | Short Term | 7.50 | ACUITE A3+ (Assigned) |
| | Term Loan | Long Term | 8.82 | ACUITE BBB Stable (Assigned) |
| | Letter of Credit | Short Term | 3.50 | ACUITE A3+ (Assigned) |
| 10 Nov 2015 | Term Loan | Long Term | 4.70 | ACUITE BBB- Stable (Suspended) |
| | Cash Credit | Long Term | 2.50 | ACUITE BBB- Stable (Suspended) |
| | | Short | | |
| | Post Shipment Credit | Term | 5.50 | ACUITE A3 (Suspended) |
| | Letter of Credit | Short Term | 3.50 | ACUITE A3 (Suspended) |
| 11 Aug 2014 | Term Loan | Long Term | 4.70 | ACUITE BBB- Stable (Assigned) |
| | Cash Credit | Long Term | 2.50 | ACUITE BBB- Stable (Assigned) |
| | Post Shipment Credit | Short Term | 5.50 | ACUITE A3 (Assigned) |
| | Letter of Credit | Short Term | 3.50 | ACUITE A3 (Assigned) |

Annexure - Details of instruments rated

| Lender's Name | ISIN | Facilities | Date Of Issuance | Coupon Rate | Maturity Date | Quantum (Rs. Cr.) | Rating |
|---------------|----------------|----------------------|------------------|----------------|----------------|-------------------|--|
| Bank of India | Not Applicable | Cash Credit | Not Applicable | Not Applicable | Not Applicable | 2.50 | ACUITE BB- Downgraded Issuer not co-operating* |
| Bank of India | Not Applicable | Letter of Credit | Not Applicable | Not Applicable | Not Applicable | 3.50 | ACUITE A4+ Reaffirmed Issuer not co-operating* |
| Bank of India | Not Applicable | Post Shipment Credit | Not Applicable | Not Applicable | Not Applicable | 7.50 | ACUITE A4+ Reaffirmed Issuer not co-operating* |
| Bank of India | Not Applicable | Term Loan | Not available | Not available | Not available | 8.82 | ACUITE BB- Downgraded Issuer not co-operating* |

Contacts

| Analytical | Rating Desk |
|---|--|
| Aditya Gupta Vice President-Rating Operations Tel: 022-49294041 aditya.gupta@acuite.in J. Subhadra Senior Analyst-Rating Operations Tel: 022-49294065 j.subhadra@acuite.in | Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuite.in |

About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, 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. Ratings assigned by Acuité 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. Ratings assigned by Acuité 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.