

Press Release

Venus Stampings Private Limited

December 22, 2022



Rating Downgraded & Withdrawn and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Ratings Loan	9.50	ACUITE BB- Downgraded & Withdrawn Issuer not co-operating*	-
Bank Ratings Loan	3.50	-	ACUITE A4 Downgraded & Withdrawn Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	13.00	-	-

Rating Rationale

Acuite has downgraded & withdrawn the long term rating to '**ACUITE BB-**' (read as **ACUITE double B Minus**) from '**ACUITE BB**' (read as **ACUITE double B**) and also the short term rating of '**ACUITE A4**' (read as **ACUITE A four**) from '**ACUITE A4+**' (read as **ACUITE A four Plus**) on the Rs.13.00 crore bank facilities of Venus Stampings Private Limited (VSPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

The rating is withdrawn on account of request received from the company, and NOC received from the banker for the same.

The rating has been withdrawn on Acuite's policy of withdrawal of ratings.

About the Company

VSPL is a Haryana based company, incorporated in 1985 by Mr. D. N. Kathuria. The company is engaged in the manufacture of laminations for magneto, alternators, armature, and stator motors that find application in automobiles and electrical generators. The management has experience of over three decades in the company's line of business.

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. Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating is, therefore, being 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). 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.

Rating Sensitivity

No information provided by the entity to comment upon.

Material Covenants

None

Liquidity Position

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

Outlook

Not Applicable

Other Factors affecting Rating

Not Applicable

Status of non-cooperation with previous CRA

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.

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite' s categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
29 Oct 2021	Cash Credit	Long Term	7.00	ACUITE BB (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	2.50	ACUITE BB (Downgraded and Issuer not co-operating*)
	Letter of Credit	Short Term	3.50	ACUITE A4+ (Issuer not co-operating*)
28 Jul 2020	Cash Credit	Long Term	7.00	ACUITE BB+ (Downgraded and Issuer not co-operating*)
	Letter of Credit	Short Term	3.50	ACUITE A4+ (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	2.50	ACUITE BB+ (Downgraded and Issuer not co-operating*)
03 Jun 2019	Term Loan	Long Term	2.50	ACUITE BBB- (Issuer not co-operating*)
	Letter of Credit	Short Term	3.50	ACUITE A3+ (Issuer not co-operating*)
	Cash Credit	Long Term	7.00	ACUITE BBB- (Issuer not co-operating*)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Indian Overseas Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	7.00	ACUITE BB- Downgraded & Withdrawn Issuer not co-operating*
Indian Overseas Bank	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	Simple	3.50	ACUITE A4 Downgraded & Withdrawn Issuer not co-operating*
Indian Overseas Bank	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	2.50	ACUITE BB- Downgraded & Withdrawn Issuer not co-operating*

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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.

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