

**Press Release**

**Vallabh Steels Limited**

May 19, 2021

**Rating Update**



<b>Total Bank Facilities Rated*</b>	Rs.60.00 Cr. #
<b>Long Term Rating</b>	ACUITE D Issuer not co-operating*
<b>Short Term Rating</b>	ACUITE D Issuer not co-operating*

# Refer Annexure for details

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

ACUITE has reviewed the long term rating of '**ACUITE D' (read as 'ACUITE D')** and short term rating of '**ACUITE D' (read as 'ACUITE D')** on the Rs.60.00 Cr bank facilities of Vallabh Steels Limited (VSL). This rating is now an indicative rating and is based on best available information.

Vallabh Steels Limited (VSL), incorporated in 1980 is engaged in the manufacturing of cold rolled coils and ERW Black and galvanized pipes. The manufacturing plant is located at Ludhiana, Punjab and has installed capacity of 40,000 MTPA for cold rolled coils and 7,500 MTPA for galvanized pipes. It is promoted by Mr. Kapil Kumar Jain and others.

**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.

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.

**Liquidity Indicator**

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

**Rating Sensitivity**

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

**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

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
05-Mar-2020	Cash Credit	Long Term	38.00	ACUITE D (Downgraded from ACUITE BB-/Stable)
	Term Loans	Long Term	7.00	ACUITE D (Downgraded from ACUITE BB-/Stable)
	Letter of Credit	Short Term	6.00	ACUITE D (Downgraded from ACUITE A4)
	Proposed Bank Facility	Long Term	9.00	ACUITE D (Downgraded from ACUITE BB-/Stable)
29-Aug-2019	Cash Credit	Long Term	38.00	ACUITE BB-/Stable (Downgraded from ACUITE BB/Stable)
	Term Loans	Long Term	7.00	ACUITE BB-/Stable (Downgraded from ACUITE BB/Stable)
	Letter of Credit	Short Term	6.00	ACUITE A4 (Downgraded from ACUITE A4+)
	Proposed Bank Facility	Long Term	9.00	ACUITE BB-/Stable (Downgraded from ACUITE BB/Stable)
30-Aug-2018	Cash Credit	Long Term	38.00	ACUITE BB/Stable (Downgraded from ACUITE BB+/Stable)
	Term Loans	Long Term	7.00	ACUITE BB/Stable (Downgraded from ACUITE BB+/Stable)
	Letter of Credit	Short Term	6.00	ACUITE A4+ (Downgraded from ACUITE A3+)
	Proposed Bank Facility	Long Term	9.00	ACUITE BB/Stable (Downgraded from ACUITE BB+/Stable)

### #Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	38.00	ACUITE D Issuer not co-operating*
Term Loans	Not Available	Not Available	Not Available	7.00	ACUITE D Issuer not co-operating*

Letter of Credit	Not Applicable	Not Applicable	Not Applicable	6.00	ACUITE D Issuer not co-operating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	9.00	ACUITE D Issuer not co-operating*

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

## Contacts

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### About Acuite Ratings & Research:

Acuite 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 8,564 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.

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