



Press Release

Vashu Yarn Mills India Private Limited

October 13, 2018

Rating Update

Total Bank Facilities Rated*	Rs. 13.00 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.

Rating Rationale

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. 13.00 crore bank facilities of Vashu Yarn Mills India Private Limited. This rating is now an indicative rating and is based on best available information.

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/view-rating-criteria-17.htm>
- Manufacturing Entities- <https://www.acuite.in/view-rating-criteria-4.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:

VYMIPL, incorporated in 2003, is a Tamil Nadu-based company promoted by Mr. Arunachalam Mahesh, Mr. Vasudevan Gomathi, Mr. K S Vasudevan and Mr. Mahesh Shanmugapriya. The company is engaged in the manufacturing of cotton yarn at Vijayamangalam (Tamil Nadu), with installed capacity of 18000 spindles. Further, the company has a windmill with installed capacity of 2.5-megawatt wind power for own consumption and also for commercial purposes.

For FY2014-15, VYMIPL reported profit after tax (PAT) of Rs.0.85 crore on operating income of Rs.39.62 crore, as compared with PAT of Rs.1.25 crore on operating income of Rs.45.46 crore in FY2013-14.

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

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.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
28th Sep 17	Dropline Overdraft	Long term	7.00	ACUITE D (Indicative)
	Term Loan	Short Term	4.60*	ACUITE D (Indicative)
	Letter of Credit	Short Term	1.00	ACUITE D (Indicative)
	Bank Guarantee	Short Term	0.40	ACUITE D (Indicative)
2nd May 16	Dropline Overdraft	Long term	7.00	ACUITE BB/Stable (Assigned)
	Term Loan	Long term	4.60*	ACUITE BB/Stable (Assigned)
	Letter of Credit	Short Term	1.00	ACUITE A4+ (Assigned)
	Bank Guarantee	Short Term	0.40	ACUITE A4+ (Assigned)

*Includes sublimit of FLC upto Rs.1.59 crore

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Dropline Overdraft	Not Applicable	Not Applicable	Not Applicable	7.00	ACUITE D Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	4.60*	ACUITE D Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE D Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	0.40	ACUITE D Issuer not co-operating*

*Includes sublimit of FLC upto Rs.1.59 crore

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

Contacts

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About Acuite Ratings & Research:

Acuite Ratings & Research Limited (*erstwhile SMERA Ratings 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.

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