

Press Release

Vashu Yarn Mills India Private Limited

July 05, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	1.40	-	ACUITE D Reaffirmed Issuer not co-operating*
Bank Loan Ratings	11.60	ACUITE D Reaffirmed Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	13.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE D**' (read as **ACUITE D**) on the Rs. 13.00 crore bank facilities of Vashu Yarn Mills India Private Limited (VYMIPL). The rating continues to be flagged as "Issuer Not Cooperating" and is based on the best available information.

About the Company

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 an 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.

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 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). 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
07 Apr 2021	Letter of Credit	Short Term	1.00	ACUITE D (Issuer not co-operating*)
	Dropline Overdraft	Long Term	7.00	ACUITE D (Issuer not co-operating*)
	Bank Guarantee	Short Term	0.40	ACUITE D (Issuer not co-operating*)
	Term Loan	Long Term	4.60	ACUITE D (Issuer not co-operating*)
10 Jan 2020	Letter of Credit	Short Term	1.00	ACUITE D (Issuer not co-operating*)
	Dropline Overdraft	Long Term	7.00	ACUITE D (Issuer not co-operating*)
	Bank Guarantee	Short Term	0.40	ACUITE D (Issuer not co-operating*)
	Term Loan	Long Term	4.60	ACUITE D (Issuer not co-operating*)
13 Oct 2018	Letter of Credit	Short Term	1.00	ACUITE D (Issuer not co-operating*)
	Dropline Overdraft	Long Term	7.00	ACUITE D (Issuer not co-operating*)
	Bank Guarantee	Short Term	0.40	ACUITE D (Issuer not co-operating*)
	Term Loan	Long Term	4.60	ACUITE D (Issuer not co-operating*)
	Dropline Overdraft	Long Term	7.00	ACUITE D (Issuer not co-operating*)

28 Sep 2017	Term Loan	Long Term	4.60	ACUITE D (Issuer not co- operating*)
	Letter of Credit	Short Term	1.00	ACUITE D (Issuer not co- operating*)
	Bank Guarantee	Short Term	0.40	ACUITE D (Issuer not co- operating*)
02 May 2016	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)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
State Bank of India	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	0.40	ACUITE D Reaffirmed Issuer not co-operating*
State Bank of India	Not Applicable	Dropline Overdraft	Not Applicable	Not Applicable	Not Applicable	7.00	ACUITE D Reaffirmed Issuer not co-operating*
State Bank of India	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE D Reaffirmed Issuer not co-operating*
State Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	4.60	ACUITE D Reaffirmed Issuer not co-operating*

Contacts

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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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