

Press Release

Vashu Yarn Mills India Private Limited

August 01, 2022



Rating Reaffirmed & Withdrawn and Issuer not co-operating

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Bank Ratings Loan	1.40	-	ACUITE D Reaffirmed & Withdrawn Issuer not co-operating*
Bank Ratings Loan	11.60	ACUITE D Reaffirmed & Withdrawn Issuer not co-operating*	-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Total Withdrawn Quantum (Rs.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

Rating Rationale

Acuite has reaffirmed & withdrawn the long term rating of '**ACUITE D**' (read as **ACUITE D**) and the short term rating of '**ACUITE D**' (read as **D**) on the Rs. 13.00 crore bank facilities of Vashu Yarn Mills India Private Limited (VYMIPL).

The rating withdrawal is in accordance with Acuite's policy on withdrawal of rating. The rating is being withdrawn on account of request received from the company and NOC received from the banker. The rating is flagged as "Issuer Not Cooperating"

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.

Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with an 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 issuer / available for Acuité to comment upon.

Material Covenants

Not Applicable.

Liquidity Position

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

Outlook

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>

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
05 Jul 2022	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*)
	Dropline Overdraft	Long Term	7.00	ACUITE D (Issuer not co-operating*)
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*)
	Letter of Credit	Short Term	1.00	ACUITE D (Issuer not co-operating*)

10 Jan 2020	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*)
28 Sep 2017	Dropline Overdraft	Long Term	7.00	ACUITE D (Issuer not co-operating*)
	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 & Withdrawn Issuer not co-operating*
State Bank of India	Not Applicable	Dropline Overdraft	Not Applicable	Not Applicable	Not Applicable	7.00	ACUITE D Reaffirmed & Withdrawn Issuer not co-operating*
State Bank of India	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE D Reaffirmed & Withdrawn Issuer not co-operating*
State Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	4.60	ACUITE D Reaffirmed & Withdrawn 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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