



Press Release

Vardaan Exports

October 16, 2018

Rating Update

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|-------------------------------------|--------------------------------------|
| Total Bank Facilities Rated* | Rs.20.68 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

Acuité 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.20.68 crore bank facilities of Vardaan Exports (VE). This rating is now an indicative rating and is based on best available information.

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.

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-17.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.htm>
- Trading Entities - <http://acuite.in/view-rating-criteria-6.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.

About the Rated Entity:

Incorporated in 2009, VE is a Haryana-based partnership firm promoted by Mr. J. B. Bansal and Ms. Poonam Garg. The firm is engaged in the milling and trading of basmati and non-basmati rice and has an installed capacity of 52,560 MTPA.

For FY2014-15, VE reported net profit of Rs.0.20 crore on operating income of Rs.107.53 crore compared to net profit of Rs.0.01 crore on operating income of Rs.105.47 crore in FY2013-14. The net worth stood at Rs.7.84 crore as on 31 March, 2015 compared to Rs.5.23 crore a year earlier.

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

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.

Rating History (Upto last three years)

| Date | Name of Instrument / Facilities | Term | Amount (Rs. Cr) | Ratings/Outlook |
|-----------|---------------------------------|------------|-----------------|---|
| 26-Sep-17 | Cash Credit | Long term | 18.00 | ACUITE D (Downgraded from ACUITE BB-/Stable) |
| | Term Loan | Long term | 1.52 | ACUITE D (Downgraded from ACUITE BB-/Stable) |
| | Proposed Long Term Loan | Long term | 0.16 | ACUITE D (Downgraded from ACUITE BB-/Stable) |
| | Standby Line of Credit | Short Term | 1.00 | ACUITE D (Downgraded from ACUITE A4) |
| 25-May-16 | Cash Credit | Long term | 18.00 | ACUITE BB-/Stable (Assigned) |
| | Term Loan | Long term | 1.52 | ACUITE BB-/Stable (Assigned) |
| | Proposed Long Term Loan | Long term | 0.16 | ACUITE BB-/Stable (Assigned) |
| | Standby Line of Credit | Short Term | 1.00 | ACUITE A4 (Assigned) |

*Annexure – Details of instruments rated

| Name of the Facilities | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. Crore) | Ratings/Outlook |
|-------------------------|------------------|----------------|----------------|-------------------------------|--------------------------------------|
| Cash Credit | Not Applicable | Not Applicable | Not Applicable | 18.00 | ACUITE D Issuer not co-operating* |
| Term Loan | Not Applicable | Not Applicable | Not Applicable | 1.52 | ACUITE D Issuer not co-operating* |
| Proposed Long Term Loan | Not Applicable | Not Applicable | Not Applicable | 0.16 | ACUITE D Issuer not co-operating* |
| Standby Line of Credit | Not Applicable | Not Applicable | Not Applicable | 1.00 | ACUITE D Issuer not co-operating* |

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

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About Acuité Ratings & Research:

Acuité 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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