



**Press Release**  
**V ARDAAN EXPORTS**  
**October 05, 2023**

**Rating Reaffirmed and Issuer not co-operating**

| Product                                       | Quantum<br>(Rs. Cr) | Long Term Rating                                    | Short Term Rating                                   |
|-----------------------------------------------|---------------------|-----------------------------------------------------|-----------------------------------------------------|
| Bank Loan Ratings                             | 19.68               | ACUITE D   Reaffirmed  <br>Issuer not co-operating* | -                                                   |
| Bank Loan Ratings                             | 1.00                | -                                                   | ACUITE D   Reaffirmed  <br>Issuer not co-operating* |
| <b>Total Outstanding<br/>Quantum (Rs. Cr)</b> | 20.68               | -                                                   | -                                                   |

**Rating Rationale**

Acuité has reaffirmed 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. The rating continues to be flagged as "Issuer Not Cooperating" and is based on the best available information.

**About the Company**

Incorporated in 2009, Vardaan Exports 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 nonbasmati 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.

**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 the 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.

**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.

## Rating Sensitivity

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

### **All Covenants**

Not Applicable

### **Liquidity Position**

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

### **Outlook**

Not Applicable

### **Other Factors affecting Rating**

Not Applicable

## Key Financials

| Particulars                   | Unit    | FY 17 (Actual) | FY 16 (Actual) |
|-------------------------------|---------|----------------|----------------|
| Operating Income              | Rs. Cr. | 133.71         | 123.19         |
| PAT                           | Rs. Cr. | 0.25           | 0.17           |
| PAT Margin                    | (%)     | 0.19           | 0.14           |
| Total Debt/Tangible Net Worth | Times   | 2.74           | 3.46           |
| PBDIT/Interest                | Times   | 1.27           | 1.20           |

## 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>
- Trading Entities: <https://www.acuite.in/view-rating-criteria-61.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

## Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuité's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on [www.acuite.in](http://www.acuite.in)

## Rating History

| Date        | Name of Instruments/Facilities | Term       | Amount (Rs. Cr) | Rating/Outlook                      |
|-------------|--------------------------------|------------|-----------------|-------------------------------------|
| 07 Jul 2022 | Standby Line of Credit         | Short Term | 1.00            | ACUITE D (Issuer not co-operating*) |
|             | Proposed Long Term Loan        | Long Term  | 0.16            | ACUITE D (Issuer not co-operating*) |
|             | Term Loan                      | Long Term  | 1.52            | ACUITE D (Issuer not co-operating*) |
|             | Cash Credit                    | Long Term  | 18.00           | ACUITE D (Issuer not co-operating*) |
| 08 Apr 2021 | Term Loan                      | Long Term  | 1.52            | ACUITE D (Issuer not co-operating*) |
|             | Standby Line of Credit         | Short Term | 1.00            | ACUITE D (Issuer not co-operating*) |
|             | Proposed Long Term Loan        | Long Term  | 0.16            | ACUITE D (Issuer not co-operating*) |
|             | Cash Credit                    | Long Term  | 18.00           | ACUITE D (Issuer not co-operating*) |
| 15 Jan 2020 | Term Loan                      | Long Term  | 1.52            | ACUITE D (Issuer not co-operating*) |
|             | Standby Line of Credit         | Short Term | 1.00            | ACUITE D (Issuer not co-operating*) |
|             | Proposed Long Term Loan        | Long Term  | 0.16            | ACUITE D (Issuer not co-operating*) |
|             | Cash Credit                    | Long Term  | 18.00           | ACUITE D (Issuer not co-operating*) |

## Annexure - Details of instruments rated

| Lender's Name       | ISIN           | Facilities              | Date Of Issuance | Coupon Rate    | Maturity Date  | Complexity Level | Quantum (Rs. Cr.) | Rating                                                           |
|---------------------|----------------|-------------------------|------------------|----------------|----------------|------------------|-------------------|------------------------------------------------------------------|
| State Bank of India | Not Applicable | Cash Credit             | Not Applicable   | Not Applicable | Not Applicable | Simple           | 18.00             | ACUITE D<br> <br>Reaffirmed<br>  Issuer<br>not co-<br>operating* |
| Not Applicable      | Not Applicable | Proposed Long Term Loan | Not Applicable   | Not Applicable | Not Applicable | Simple           | 0.16              | ACUITE D<br> <br>Reaffirmed<br>  Issuer<br>not co-<br>operating* |
| State Bank of India | Not Applicable | Stand By Line of Credit | Not Applicable   | Not Applicable | Not Applicable | Simple           | 1.00              | ACUITE D<br> <br>Reaffirmed<br>  Issuer<br>not co-<br>operating* |
| State Bank of India | Not Applicable | Term Loan               | Not available    | Not available  | Not available  | Simple           | 1.52              | ACUITE D<br> <br>Reaffirmed<br>  Issuer<br>not co-<br>operating* |

## Contacts

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|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|
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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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