

Press Release

Vasishta Projects

August 25, 2022



Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	10.00	ACUITE B+ Downgraded Issuer not co-operating*	-
Bank Loan Ratings	32.00	-	ACUITE A4 Downgraded Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	42.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE B+**' (read as **ACUITE single B plus**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) and the short-term rating to '**ACUITE A4**' (read as **ACUITE A four**) from '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs. 42.00 crore bank facilities of Vasishta Projects. The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

About the Company

Vasishta Projects, established in 2009, is a Hyderabad-based partnership firm promoted by Mr. A V S Bhasker and his wife Mrs. A Sri Lakshmi. The firm undertakes civil construction work primarily related to airports, roads, and buildings.

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 non-cooperation 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). 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

Not Applicable

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
01 Jun 2021	Cash Credit	Long Term	10.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Proposed Bank Guarantee	Short Term	20.00	ACUITE A4+ (Issuer not co-operating*)
	Bank Guarantee	Short Term	12.00	ACUITE A4+ (Issuer not co-operating*)
04 Mar 2020	Bank Guarantee	Short Term	12.00	ACUITE A4+ (Issuer not co-operating*)
	Cash Credit	Long Term	10.00	ACUITE BB (Issuer not co-operating*)
	Proposed Bank Guarantee	Short Term	20.00	ACUITE A4+ (Issuer not co-operating*)
10 Jan 2019	Bank Guarantee	Short Term	12.00	ACUITE A4+ (Issuer not co-operating*)
	Proposed Bank Guarantee	Short Term	20.00	ACUITE A4+ (Issuer not co-operating*)
	Cash Credit	Long Term	10.00	ACUITE BB (Issuer not co-operating*)
26 Oct 2017	Cash Credit	Long Term	10.00	ACUITE BB (Issuer not co-operating*)
	Bank Guarantee	Short Term	12.00	ACUITE A4+ (Issuer not co-operating*)
	Proposed Bank Guarantee	Short Term	20.00	ACUITE A4+ (Issuer not co-operating*)
25 Jul 2016	Cash Credit	Long Term	10.00	ACUITE BB Stable (Assigned)
	Bank Guarantee	Short Term	12.00	ACUITE A4+ (Assigned)
	Proposed Bank Guarantee	Short Term	20.00	ACUITE A4+ (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Bank of Baroda	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	12.00	ACUITE A4 Downgraded Issuer not co-operating* (from ACUITE A4+)
Bank of Baroda	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE B+ Downgraded Issuer not co-operating* (from ACUITE BB-)
Not Applicable	Not Applicable	Proposed Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	20.00	ACUITE A4 Downgraded Issuer not co-operating* (from ACUITE A4+)

Contacts

Analytical	Rating Desk
Aditya Gupta Vice President-Rating Operations Tel: 022-49294041 aditya.gupta@acuite.in Radhika Kolwankar Junior Analyst-Rating Operations Tel: 022-49294065 radhika.kolwankar@acuite.in	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuite.in

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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