

Press Release

Vineet Polyfab Private Limited

January 20, 2020



Rating Update

Total Bank Facilities Rated#	Rs. 40.06 Cr.
Long Term Rating	ACUITE BB (Downgraded from ACUITE BB+/ Stable) Withdrawn; Issuer not co-operating*
Short Term Rating	ACUITE A4+ Withdrawn; Issuer not co-operating*

#Refer Annexure for details

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

Rating Rationale

Acuité has downgraded the long term rating to '**ACUITE BB**' (**read as ACUITE double B**) from '**ACUITE BB+**' (**read as ACUITE double B plus**) and reviewed the short term rating of '**ACUITE A4+**' (**read as ACUITE A four plus**) on the Rs. 40.06 crore bank facilities of Vineet Polyfab Private Limited (VPPL). This rating is now withdrawn, indicative and is downgraded on account of information risk.

The rating is being withdrawn on account of request received from the company and NOC received from the banker.

Surat based VPPL is promoted by Mr. Omprakash Agarwal, Mr. Sanjay Agarwal and Mr. Sarvesh Agarwal. The company is engaged in manufacturing of texturised polyester yarn from partially oriented yarns (POY). The company was incorporated in 2009 and commenced its operations from 2013 with an installed capacity of 22,250 MTPA. VPPL exports more than 85 percent of its produce to countries such as Russia, Morocco and Portugal.

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.

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.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-59.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 - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

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

Not applicable

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
05-Dec-2018	Cash Credit	Long Term	25.00	ACUITE BB+/ Stable (Reaffirmed)
	Cash Credit	Long Term	5.00	ACUITE BB+/ Stable (Reaffirmed)
	Term loan	Long Term	6.05	ACUITE BB+/ Stable (Reaffirmed)
	Term loan	Long Term	1.10	ACUITE BB+/ Stable (Withdrawn)
	Proposed Bank Facility	Long Term	2.51	ACUITE BB+/ Stable (Reaffirmed)
	Bank Guarantee	Short Term	1.50	ACUITE A4+ (Reaffirmed)
23-May -2018	Cash Credit	Long Term	25.00	ACUITE BB+/ Stable (Reaffirmed)
	Cash Credit	Long Term	5.00	ACUITE BB+/ Stable (Assigned)
	Term loan	Long Term	1.10	ACUITE BB+/ Stable (Reaffirmed)
	Term loan	Long Term	7.03	ACUITE BB+/ Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	0.43	ACUITE BB+/ Stable (Assigned)
	Bank Guarantee	Short Term	1.50	ACUITE A4+ (Reaffirmed)
12-Mar-2018	Cash Credit	Long Term	22.43	ACUITE BB+/ Stable (Upgraded from ACUITE BB/ Stable)
	Term loan	Long Term	1.10	ACUITE BB+/ Stable (Upgraded from ACUITE BB/ Stable)
	Term loan	Long Term	7.03	ACUITE BB+/ Stable (Upgraded from ACUITE BB/ Stable)
	Bank Guarantee	Short Term	1.50	ACUITE A4+ (Reaffirmed)
02-Dec-2016	Cash Credit	Long Term	20.00	ACUITE BB/ Stable (Assigned)
	Term loan	Long Term	2.92	ACUITE BB/ Stable (Assigned)
	Term loan	Long Term	7.89	ACUITE BB/ Stable (Assigned)
	Bank Guarantee	Short Term	1.25	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	25.00	ACUITE BB (Downgraded from ACUITE BB+/ Stable) Withdrawn; Issuer not cooperating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE BB (Downgraded from ACUITE BB+/ Stable) Withdrawn; Issuer not cooperating*
Term loan	Not Applicable	Not Applicable	Not Applicable	6.05	ACUITE BB (Downgraded from ACUITE BB+/ Stable) Withdrawn; Issuer not cooperating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	2.51	ACUITE BB (Downgraded from ACUITE BB+/ Stable) Withdrawn; Issuer not cooperating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	1.50	ACUITE A4+ Withdrawn; Issuer not cooperating*

*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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