



Press Release
VSM ENTERPRISES PRIVATE LIMITED
February 12, 2025
Rating Withdrawn

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|------------------------------------|------------------|----------------------------|----------------------------|
| Bank Loan Ratings | 5.00 | Not Applicable Withdrawn | - |
| Bank Loan Ratings | 0.30 | - | Not Applicable Withdrawn |
| Total Outstanding Quantum (Rs. Cr) | 0.00 | - | - |
| Total Withdrawn Quantum (Rs. Cr) | 5.30 | - | - |

Rating Rationale

Acuite has withdrawn its long-term and short-term rating on the Rs.5.30 Cr. bank facilities without assigning any rating as the instruments are fully repaid of VSM Enterprises Private Limited. The rating withdrawal is in accordance with Acuite's policy on withdrawal of rating as applicable to the respective facility / instrument. The rating is being withdrawn on account of request received from the Company and No Dues Certificate received from the banker.

About the Company

VSM Enterprises Private Limited(VSMEPL) is engaged in the trading of desktop computers, notebook computers and LCD projectors among others. The company is the authorised distributor of LG products for the Haryana government and earns around 50 per cent revenue from the sale to government entities. About 25 per cent of the products are imported and the rest is procured domestically from distributors across Delhi and Haryana. The company incorporated in 2002. The directors of the company are Ms. Sheeba Narang and Ms. Ashwani Kumar Narang. The registered office of the company is in Delhi.

Unsupported Rating

Not Applicable

Analytical Approach

Not Applicable

Key Rating Drivers

Strengths

Not Applicable

Weaknesses

Not Applicable

Rating Sensitivities

Not Applicable

Liquidity Position

Not Applicable

Outlook: Not Applicable

Other Factors affecting Rating

None

Key Financials

| Particulars | Unit | FY 24 (Actual) | FY 23 (Actual) |
|-------------------------------|---------|----------------|----------------|
| Operating Income | Rs. Cr. | 23.75 | 23.42 |
| PAT | Rs. Cr. | 0.21 | 0.09 |
| PAT Margin | (%) | 0.90 | 0.39 |
| Total Debt/Tangible Net Worth | Times | 1.46 | 1.65 |
| PBDIT/Interest | Times | 2.27 | 1.78 |

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

Not Applicable

Any other information

None

Applicable Criteria

- 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>
- Trading Entities: <https://www.acuite.in/view-rating-criteria-61.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.

Rating History

| Date | Name of Instruments/Facilities | Term | Amount (Rs. Cr) | Rating/Outlook |
|-------------|--------------------------------|------------|-----------------|---|
| 12 Jun 2024 | Bank Guarantee (BLR) | Short Term | 0.30 | ACUITE A4 (Reaffirmed & Issuer not co-operating*) |
| | Secured Overdraft | Long Term | 5.00 | ACUITE B (Downgraded & Issuer not co-operating* from ACUITE B+) |
| 17 Mar 2023 | Bank Guarantee (BLR) | Short Term | 0.30 | ACUITE A4 (Reaffirmed & Issuer not co-operating*) |
| | Secured Overdraft | Long Term | 5.00 | ACUITE B+ (Reaffirmed & Issuer not co-operating*) |

Annexure - Details of instruments rated

| Lender's Name | ISIN | Facilities | Date Of Issuance | Coupon Rate | Maturity Date | Quantum (Rs. Cr.) | Complexity Level | Rating |
|----------------------|----------------------|----------------------|-------------------------|----------------------|----------------------|--------------------------|-------------------------|--------------------------|
| Punjab and Sind Bank | Not avl. / Not appl. | Bank Guarantee (BLR) | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 0.30 | Simple | Not Applicable Withdrawn |
| Punjab and Sind Bank | Not avl. / Not appl. | Secured Overdraft | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 5.00 | Simple | Not Applicable Withdrawn |

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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Note: None of the Directors on the Board of Acuité Ratings & Research Limited are members of any rating committee and therefore do not participate in discussions regarding the rating of any entity.