

Press Release

Vijaya Polymers India Private Limited

November 02, 2020



Rating Update

Total Bank Facilities Rated*	Rs. 32.00 Cr #
Long Term Rating	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
Short Term rating	ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating*

#Refer Annexure for details

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

Acuité has downgraded the long term rating to '**ACUITE B+**' (read as **ACUITE 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.32.00 crore bank facilities of Vijaya Polymers India Private Limited (VPPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

Vijaya Polymers India Private Limited (VPPL) was incorporated in September, 2015 as a private limited company by Ms. M.V. Sunitha Reddy and Ms. G. Vijaya Lakshmi. The company is engaged in the manufacturing of pipes mainly used for irrigation and drinking water purposes. The commercial operations of the company started in the month of August, 2016. VPPL manufactures HDPE pipes which are available in coil form and straight lengths. The key raw material required is HDPE granules procured from IOCL in the domestic market and from Borouge and SABIC from UAE. The installed capacity is 960 tons per month utilised to the tune of 80 per cent. The company earns 30 per cent of its revenue from government clients and the rest is earned from private clients.

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.

This rating continues to be 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-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 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.

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)

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 (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
08 August, 2019	Term Loan	Long Term	3.00	ACUITE BB- Issuer not co-operating*
	Cash Credit	Long Term	10.00	ACUITE BB- Issuer not co-operating*
	Letter of credit	Short Term	16.00	ACUITE A4+ Issuer not co-operating*
	Bank Guarantee	Short Term	3.00	ACUITE A4+ Issuer not co-operating*
15 June, 2018	Term Loan	Long Term	3.00	ACUITE BB-/stable (Reaffirmed)
	Cash Credit	Long Term	10.00	ACUITE BB-/stable (Reaffirmed)
	Letter of credit	Short Term	16.00	ACUITE A4+ (Reaffirmed)
	Bank Guarantee	Short Term	3.00	ACUITE A4+ (Assigned)
23 April 2018	Cash Credit	Long Term	16.00	ACUITE BB- Issuer not co-operating*
	Term Loan	Long Term	3.78	ACUITE BB- Issuer not co-operating*
	Letter of credit	Short Term	4.00	ACUITE A4+ Issuer not co-operating*
	Bank Guarantee	Short Term	5.00	ACUITE A4+ Issuer not co-operating*
	Proposed Long Term Loan	Long Term	1.22	ACUITE BB- Issuer not co-operating*

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Term Loan	Not Available	Not Applicable	Not Available	3.00	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
Letter of credit	Not Applicable	Not Applicable	Not Applicable	16.00	ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
<p>Aditya Gupta Head- Corporate and Infrastructure Sector Tel: 022-49294041 aditya.gupta@acuite.in</p> <p>Aishwarya Phalke Analyst - Rating Operations Tel: 022-49294031 Aishwarya.phalke@acuite.in</p>	<p>Varsha Bist Senior Manager - Rating Desk Tel: 022-49294011 rating.desk@acuite.in</p>

About Acuité Ratings & Research:

Acuité Ratings & Research 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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