

Press Release

Vasundhara Cotton Mills Private Limited

August 20, 2018



Rating Update

Total Bank Facilities Rated*	Rs.24.11 Cr. #
Long Term Rating	ACUITE BBB- Issuer not co-operating*

#Refer Annexure for details

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

Rating Rationale

Acuité has reviewed the long term rating to '**ACUITE BBB-**' (read as **ACUITE triple B minus**) to the Rs.24.11 crore bank facilities of Vasundhara Cotton Mills Private Limited. This rating is now an indicative rating and is based on best available information.

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.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/criteria-fin-ratios.htm>
- Entities In Manufacturing Sector - <https://www.acuite.in/criteria-manufacturing.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:

Vasundhara Cotton Mills Private Limited (VCMPL), an Andhra Pradesh-based company was incorporated in 2005 and commenced commercial operations in 2007. The company is engaged in the manufacturing and trading of cotton yarn and allied products at Guntur and has capacity of 18000 spindles per annum. The company manufactures yarn in the count range of 30-60s.

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
14-June-2017	Cash Credit	Long Term	13.00	ACUITE BBB-/Stable (Assigned)
	Term Loan	Long Term	8.75	ACUITE BBB-/Stable (Assigned)
	Standby Line of Credit	Long Term	1.95	ACUITE BBB-/Stable (Assigned)

	Proposed Long Term Loan	Long Term	0.41	ACUITE BBB-/Stable (Assigned)
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***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	13.00	ACUITE BBB- (Indicative)
Term Loan	Not Applicable	Not Applicable	Not Applicable	8.75	ACUITE BBB- (Indicative)
Standby Line of Credit	Not Applicable	Not Applicable	Not Applicable	1.95	ACUITE BBB- (Indicative)
Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	0.41	ACUITE BBB- (Indicative)

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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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