



Press Release
Vikas Fabric Finers
August 08, 2023

Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	10.67	ACUITE B+ Reaffirmed Issuer not co-operating*	-
Bank Loan Ratings	0.36	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	11.03	-	-

Rating Rationale

Acuité has reaffirmed the long-term rating of '**ACUITE B+**' (read as **ACUITE B Plus**) and short term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs. 11.03 crore bank facilities of Vikas Fabric Finers (VFF). The rating continues to be flagged as "Issuer NotCooperating" and is based on the best available information.

About the Company

Vikas Fabric Finers (VFF), a partnership firm established in 2015 by Mr. Vikas P. Bansal and Mrs. Sunita P. Bansal is engaged in the manufacturing of knitted fabrics. The manufacturing facilities are located at Surat (Gujarat). For FY2016-17 (Provisional), the firm registered net profit of Rs.0.57 crore on operating income of Rs.15.26 crore as compared to net profit of Rs.0.08 crore on operating income of Rs.4.98 crore in FY2016. The net worth stood at Rs.4.03 crore as on 31 March, 2017 (Provisional) as compared to Rs.2.78 crore as on 31 March, 2016.

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.

Acuité believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with 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 Acuité'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). 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.

Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

Material Covenants

Not Applicable

Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

Outlook

Not Applicable

Other Factors affecting Rating

Not Applicable

Key Financials

Particulars	Unit	FY 17 (Provisional)	FY 16 (Actual)
Operating Income	Rs. Cr.	15.26	4.98
PAT	Rs. Cr.	0.57	0.08
PAT Margin	(%)	5.36	1.66
Total Debt/Tangible Net Worth	Times	1.81	2.05
PBDIT/Interest	Times	3.04	2.69

Status of non-cooperation with previous CRA

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.

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- 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>

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. Acuite' 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
17 May 2022	Bank Guarantee	Short Term	0.36	ACUITE A4 (Issuer not co-operating*)
	Term Loan	Long Term	4.22	ACUITE B+ (Issuer not co-operating*)
	Term Loan	Long Term	3.35	ACUITE B+ (Issuer not co-operating*)
	Proposed Long Term Loan	Long Term	0.10	ACUITE B+ (Issuer not co-operating*)
	Cash Credit	Long Term	3.00	ACUITE B+ (Issuer not co-operating*)
11 Feb 2021	Bank Guarantee	Short Term	0.36	ACUITE A4 (Issuer not co-operating*)
	Proposed Long Term Loan	Long Term	0.10	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	4.22	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	3.35	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	3.00	ACUITE B+ (Downgraded and Issuer not co-operating*)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
State Bank of India	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	Simple	0.36	ACUITE A4 Reaffirmed Issuer not co-operating*
State Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	3.00	ACUITE B+ Reaffirmed Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	Simple	0.10	ACUITE B+ Reaffirmed Issuer not co-operating*
State Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	4.22	ACUITE B+ Reaffirmed Issuer not co-operating*
State Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	3.35	ACUITE B+ Reaffirmed Issuer not co-operating*

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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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