Press Release

Vaidya Industries

July 28, 2020

Rating Update

Total Bank Facilities Rated*	Rs. 15.80 Cr #
Long Term Rating	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
Short Term Rating	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 BB**' **(read as ACUITE double B)** from '**ACUITE BB+' (read as ACUITE Double B plus)** and short term rating **'ACUITE A4+' (read as ACUITE A four plus)** on the Rs. 15.80 crore bank facilities of Vaidya industries. The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

Vaidya Industries (VI), a proprietary concern established in 1996 is promoted by Mr.Vivek Vaidya is engaged in the trading of wooden and steel furniture. VIPL, incorporated in 2006, is a Nagpur-based company promoted by Mr. Indira Tekade, Mr. Prashant Tekade, and Mrs. Vandana Vaidya. VIPL is engaged in the manufacture of modular furniture, steel furniture, writing boards, among others. Acuité has consolidated the business and financial risk profiles of Vaidya V & I Infrastructure Private Limited (VIPL) and Vaidya Industries (VI) as both the entity has managerial and financial linkages collectively referred as Vaidya Group. The group has recently started a new business line in sanitary Napkins. Extent of Consolidation: Full

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 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)

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
07 May, 2019	Cash Credit	Long Term	13.80	ACUITE BB+ (Issuer not co-operating)*
	Bank Guarantee	Short Term	2.00	ACUITE A4+ Issuer not co-operating
23 Feb, 2018	Cash Credit	Long Term	13.80	ACUITE BB+/Stable (Upgraded)
	Bank Guarantee	Short Term	2.00	ACUITE A4+ (reaffirmed)
26 July, 2017	Cash Credit	Long Term	13.80	ACUITE BB/Stable (Assigned)
	Bank Guarantee	Short Term	0.50	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	13.80	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4+ Issuer not co-operating*

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

Contacts

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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.

Disclaimer: *An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuité ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuité ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité.*