

**Press Release**  
**Vinod Fabrics Private Limited**

January 16, 2019

**Rating Update**



<b>Total Bank Facilities Rated*</b>	Rs.50.00 Cr. #
<b>Long Term Rating</b>	ACUITE BBB- Issuer not co-operating*
<b>Short Term Rating</b>	ACUITE A3 Issuer not co-operating*

#Refer Annexure for details

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

**Rating Rationale**

Acuite has reviewed the long-term rating of '**ACUITE BBB-**' (read as **ACUITE triple B minus**) and short term rating of '**ACUITE A3**' (read as **ACUITE A three**) on the Rs.50.00 crore bank facilities of Vinod Fabrics Private Limited. This rating is now an indicative rating and is based on best available information.

Vinod Fabrics Private Limited (VFPL) is an Ahmedabad-based company incorporated in 1983 by Mr Mittal and family. The company is engaged in the processing of grey cloth and undertakes bleaching, printing, dyeing and processing activity on job work basis. The company also sells processed fabric. Around 67 percent of the revenue is derived from job work, ~31 percent from manufacturing and the rest from trading. The company procures raw material from the local market and caters to customers in Ahmedabad, Mumbai and Delhi.

Vinod Group Textiles (VGT), established in 1983 is engaged in the spinning, weaving, processing and trading of textile products and has diversified products including yarn, grey fabric, denim fabric etc. The group undertakes manufacturing, job work and trading in the above activities. Manufacturing contributes around 82 percent to the total revenue, with job work bringing in around 14 percent and the remaining from trading. The group comprises Vinod Denim Limited (VDL), Vinod Fabrics Private Limited (VFPL), United Polyfab Private Limited (UPPL), United Polyfab Gujarat Limited (UPGL), Vinod Spinners Private Limited (VSPL) and Vinod Cotfab Private Limited (VCFPL) and United Techfab Private Limited (UTPL). The group was promoted by Mr Mittal and family and has presence of over three decades in the textile industry.

**Non-cooperation by the issuer/borrower:** Acuite 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 Acuite's policies.

**Applicable Criteria**

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.htm>
- Consolidation Of Companies - <https://www.acuite.in/view-rating-criteria-22.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). Acuite endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

### About the Rated Entity - Key Financials

	Unit	FY17 (Provisional)	FY16 (Actual)	FY15 (Actual)
Operating Income	Rs. Cr.	340.94	289.22	231.00
EBITDA	Rs. Cr.	36.70	24.48	16.13
PAT	Rs. Cr.	5.01	4.36	2.25
EBITDA Margin	(%)	10.76	8.46	6.98
PAT Margin	(%)	1.47	1.51	0.98
ROCE	(%)	7.61	7.37	6.24
Total Debt/Tangible Net Worth	Times	1.69	1.67	1.63
PBDIT/Interest	Times	3.68	4.16	5.07
Total Debt/PBDIT	Times	4.70	4.68	4.89
Gross Current Assets (Days)	Days	91	69	67

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

None

### Any other information

Acuite 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
17-Nov1-17	Cash Credit	Long Term	1.00	ACUITE BBB- / Stable (Assigned)
	Term loans	Long Term	0.56	ACUITE BBB- / Stable (Assigned)
	Term loans	Long Term	0.83	ACUITE BBB- / Stable (Assigned)
	Term loans	Long Term	1.31	ACUITE BBB- / Stable (Assigned)
	Term loans	Long Term	5.50	ACUITE BBB- / Stable (Assigned)
	Term loans	Long Term	39.58	ACUITE BBB- / Stable (Assigned)
	Proposed	Long Term	0.48	ACUITE BBB- / Stable (Assigned)
	Bank guarantee/Letter of Guarantee	Short Term	0.25	ACUITE A3 (Assigned)
	Proposed	Long Term	0.49	ACUITE BBB- / Stable (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	1.00	ACUITE BBB- Issuer not co-operating*
Term loans	Not Applicable	Not Applicable	Not Applicable	0.56	ACUITE BBB- Issuer not co-operating*
Term loans	Not Applicable	Not Applicable	Not Applicable	0.83	ACUITE BBB- Issuer not co-operating*
Term loans	Not Applicable	Not Applicable	Not Applicable	1.31	ACUITE BBB- Issuer not co-operating*
Term loans	Not Applicable	Not Applicable	Not Applicable	5.50	ACUITE BBB- Issuer not co-operating*
Term loans	Not Applicable	Not Applicable	Not Applicable	39.58	ACUITE BBB- Issuer not co-operating*
Proposed	Not Applicable	Not Applicable	Not Applicable	0.48	ACUITE BBB- Issuer not co-operating*
Bank guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	0.25	ACUITE A3 Issuer not co-operating*
Proposed	Not Applicable	Not Applicable	Not Applicable	0.49	ACUITE BBB- Issuer not co-operating*

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

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**About Acuité Ratings & Research:**

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