

Press Release

Vajra Rubber Products Private Limited

April 07, 2021

Rating Update



Total Bank Facilities Rated*	Rs.10.10 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.

Acuite has downgraded the long term rating to '**ACUITE BB**' (read as **ACUITE double B**) from '**ACUITE BB+**' (read as **ACUITE double B plus**) and reviewed the short-term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs.10.10 crore bank facilities of Vajra Rubber Products Private Limited (VRPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

Kerala based, VRPL was incorporated in 1989 by Mr. P. S. Sachindranath (Managing Director). The company is engaged in manufacturing engineered rubber products which includes seal, ring, packing, gasket, metal inserted bush, grommet and diaphragm which finds application in oil field, automobile, mining and aerospace industries, among others. The company has installed capacity of ~1300 ton units per month. The company derives around 60 percent of its revenue from overseas market including USA, Europe, UAE and others; while remaining 40 percent is derived through domestic market. The company is part of the US-based Core International Group which is engaged in design, manufacture and distribution of wide variety of engineered rubber products.

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 the due date.

Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an 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 Acuite'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>
- Financial Ratios and Adjustments - <https://www.acuite.in/view-rating-criteria-53.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 endeavored 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.

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

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

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

Acuite 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
09-Jan-2020	Cash Credit	Long Term	0.75	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
	Term Loan	Long Term	2.10	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
	Packing Credit	Short Term	3.00	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*
	Bills Discounting	Short Term	2.00	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*
	Bank Guarantee	Short Term	2.00	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*
	Letter of Credit	Short Term	0.25	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*
03-May-2019	Cash Credit	Long Term	0.75	ACUITE BBB- Issuer not co-operating*
	Term Loan	Long Term	2.10	ACUITE BBB- Issuer not co-operating*
	Packing Credit	Short Term	3.00	ACUITE A3 Issuer not co-operating*
	Bills Discounting	Short Term	2.00	ACUITE A3 Issuer not co-operating*
	Bank Guarantee	Short Term	2.00	ACUITE A3 Issuer not co-operating*
	Letter of Credit	Short Term	0.25	ACUITE A3 Issuer not co-operating*
26-Feb-2018	Cash Credit	Long Term	0.75	ACUITE BBB-/ Stable (Assigned)
	Term Loan	Long Term	2.10	ACUITE BBB-/ Stable (Assigned)
	Packing Credit	Short Term	3.00	ACUITE A3 (Assigned)
	Bills Discounting	Short Term	2.00	ACUITE A3 (Assigned)
	Bank Guarantee	Short Term	2.00	ACUITE A3 (Assigned)
	Letter of Credit	Short Term	0.25	ACUITE A3 (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	0.75	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	2.10	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
Packing Credit	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE A4+ Issuer not co-operating*
Bills Discounting	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4+ Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4+ Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	0.25	ACUITE A4+ Issuer not co-operating*

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

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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 8,607 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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