



Press Release
Vajra Rubber Products Private Limited
December 30, 2024
Rating Downgraded, Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	2.85	ACUITE BB- Downgraded Issuer not co-operating*	-
Bank Loan Ratings	7.25	-	ACUITE A4+ Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	10.10	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

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

Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE BB-**' (read as **ACUITE double B minus**) from '**ACUITE BB**' (read as **ACUITE double Ba**) and reaffirmed 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) on account of information risk. The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

About the Company

Kerala based, Vajra Rubber Products Private Limited (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.

Unsupported Rating

Not Applicable

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 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 ratings is based.

Rating Sensitivity

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

Liquidity Position

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

Outlook

Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 24 (Actual)	FY 23 (Actual)
Operating Income	Rs. Cr.	31.83	25.19
PAT	Rs. Cr.	0.28	0.25
PAT Margin	(%)	0.89	0.99
Total Debt/Tangible Net Worth	Times	0.84	0.75
PBDIT/Interest	Times	2.91	2.40

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

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, Acuite 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
03 Oct 2023	PC/PCFC	Short Term	3.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Bills Discounting	Short Term	2.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Bank Guarantee/Letter of Guarantee	Short Term	2.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Letter of Credit	Short Term	0.25	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	0.75	ACUITE BB (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	2.10	ACUITE BB (Reaffirmed & Issuer not co-operating*)
05 Jul 2022	PC/PCFC	Short Term	3.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Bills Discounting	Short Term	2.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Bank Guarantee/Letter of Guarantee	Short Term	2.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Letter of Credit	Short Term	0.25	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	0.75	ACUITE BB (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	2.10	ACUITE BB (Reaffirmed & Issuer not co-operating*)
07 Apr 2021	Bank Guarantee (BLR)	Short Term	2.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Bills Discounting	Short Term	2.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Letter of Credit	Short Term	0.25	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	PC/PCFC	Short Term	3.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	0.75	ACUITE BB (Downgraded & Issuer not co-operating* from ACUITE BB+)
	Term Loan	Long Term	2.10	ACUITE BB (Downgraded & Issuer not co-operating* from ACUITE BB+)

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

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
State Bank of India	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	2.00	Simple	ACUITE A4+ Reaffirmed Issuer not co-operating*
State Bank of India	Not avl. / Not appl.	Bills Discounting	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	2.00	Simple	ACUITE A4+ Reaffirmed Issuer not co-operating*
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.75	Simple	ACUITE BB- Downgraded Issuer not co-operating* (from ACUITE BB)
State Bank of India	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.25	Simple	ACUITE A4+ Reaffirmed Issuer not co-operating*
State Bank of India	Not avl. / Not appl.	PC/PCFC	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	3.00	Simple	ACUITE A4+ Reaffirmed Issuer not co-operating*
State Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	2.10	Simple	ACUITE BB- Downgraded Issuer not co-operating* (from ACUITE BB)

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

Contacts

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About Acuité Ratings & Research

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