



**Press Release**  
**VARUN PIPING SYSTEMS**  
**January 19, 2026**

**Rating Downgraded, Reaffirmed, Withdrawn and Issuer not co-operating**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Ratings	24.00	ACUITE BB   Downgraded & Withdrawn   Issuer not co-operating*	-
Bank Ratings	0.10	ACUITE Not Applicable   Withdrawn   Issuer not co-operating*	-
Bank Ratings	6.00	-	ACUITE A4+   Reaffirmed & Withdrawn   Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	30.10	-	-

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

**Rating Rationale**

Acuité has downgraded and withdrawn the long-term rating to '**ACUITE BB**' (**read as ACUITE double B**) from '**ACUITE BB+**' (**read as ACUITE double B plus**) and also reaffirmed and withdrawn the short term rating of '**ACUITE A4+**' (**read as ACUITE A four plus**) on the Rs. 30.00 crore bank facilities of Varun Piping Systems (VPS). The rating is being withdrawn on account of request received from the company and NOC (No Objection Certificate) received from the banker. Acuité has also withdrawn its long term bank facilities of Rs. 0.10 Cr. of Varun Piping Systems (VPS) without assigning any rating as it is a proposed facility. The rating is being withdrawn on account of request received from the company.

The rating withdrawal is in accordance with the Acuite's policy on withdrawal of rating as applicable to the respective facility / instrument.

The rating is now flagged as "Issuer Not-Cooperating" on account of information risk and is based on the best available information. The rating has been downgraded on account of information risk.

**About the Company**

Karnataka based; Varun Piping Systems (VPS) was established in the year 2016. The operations of the firm are managed by Mr. M Chittaranjan Bhat. The firm is engaged in the business of manufacturing P.V.C pipes, fittings and Suction Hose and HDPE Pipes and fittings.

**Unsupported Rating**

Not Applicable

**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 due date. Acuité 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**

This 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. Any rating with the suffix 'Issuer not cooperating' is assigned without any management interaction with the issuer entity or any data / information from the entity. Sometimes this non co-operation by a rated entity may be due to a result of deterioration in the credit risk profile of the entity. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

#### **Rating Sensitivities**

"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.	128.37	114.75
PAT	Rs. Cr.	7.22	2.76
PAT Margin	(%)	5.63	2.41
Total Debt/Tangible Net Worth	Times	0.06	0.11
PBDIT/Interest	Times	22.23	6.99

### Status of non-cooperation with previous CRA

Not Applicable

### Any other information

None

### Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.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](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
01 Apr 2025	Letter of Credit	Short Term	6.00	ACUITE A4+ (Upgraded from ACUITE A4)
	Secured Overdraft	Long Term	3.00	ACUITE BB+   Stable (Assigned)
	Proposed Long Term Bank Facility	Long Term	0.10	ACUITE BB+   Stable (Assigned)
	Term Loan	Long Term	1.50	ACUITE BB+   Stable (Upgraded from ACUITE B+)
	Term Loan	Long Term	0.50	ACUITE BB+   Stable (Assigned)
	Term Loan	Long Term	11.00	ACUITE BB+   Stable (Assigned)
	Secured Overdraft	Long Term	8.00	ACUITE BB+   Stable (Upgraded from ACUITE B+)
13 May 2024	Letter of Credit	Short Term	6.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Secured Overdraft	Long Term	8.00	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	1.50	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
13 Feb 2023	Letter of Credit	Short Term	6.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Secured Overdraft	Long Term	8.00	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	1.50	ACUITE B+ (Reaffirmed & Issuer not co-operating*)

**Annexure - Details of instruments rated**

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Canara Bank	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	6.00	Simple	ACUITE A4+   Reaffirmed & Withdrawn   Issuer not co-operating*
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.10	Simple	ACUITE Not Applicable   Withdrawn   Issuer not co-operating*
Canara Bank	Not avl. / Not appl.	Secured Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	11.00	Simple	ACUITE BB   Downgraded & Withdrawn   Issuer not co-operating* (from ACUITE BB+ )
Canara Bank	Not avl. / Not appl.	Term Loan	03 Feb 2024	Not avl. / Not appl.	15 Mar 2032	2.00	Simple	ACUITE BB   Downgraded & Withdrawn   Issuer not co-operating* (from ACUITE BB+ )
Canara Bank	Not avl. / Not appl.	Term Loan	03 Feb 2024	Not avl. / Not appl.	03 Feb 2031	11.00	Simple	ACUITE BB   Downgraded & Withdrawn   Issuer not co-operating* (from ACUITE BB+ )

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

**Disclosure of list of non-cooperative issuers**

- Listed :- [https://www.acuite.in/Non-Cooperative\\_Issuer\\_Listed.php](https://www.acuite.in/Non-Cooperative_Issuer_Listed.php)
- Unlisted :- [https://www.acuite.in/Non-Cooperative\\_Issuer\\_Unlisted.php](https://www.acuite.in/Non-Cooperative_Issuer_Unlisted.php)

## Contacts

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### About Acuité Ratings & Research

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