

Press Release

Vardhaman Precision Works

November 04, 2020

Rating Withdrawn



Total Bank Facilities Rated#	Rs.6.16 Cr.
Long Term Rating	ACUITE BB- (Downgraded and Withdrawn) Issuer not co-operating*

Refer Annexure for details

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

Rating Rationale

Acuite has downgraded and withdrawn the long-term rating to '**ACUITE BB-' (read as ACUITE double B minus)** from '**ACUITE BB' (read as ACUITE double B)** on the Rs.6.16 crore bank facilities of Vardhaman Precision Works (VPW). The rating withdrawal is in accordance with the Acuite's policy on withdrawal of rating. This rating continues to be an indicative rating and is based on the best available information.

The rating is being withdrawn on account of request received from the company and NOC received from the banker.

VPW is an Aurangabad-based partnership firm established in 1999. The firm manufactures auto ancillary products and undertakes job work. It caters to Varroc Engineering Limited, Mahindra CIE Automotive Limited, VE Commercial Vehicle Limited and Sanjeev Auto Parts Manufacturers Private Limited. VPW has an installed capacity of 3939 Metric Tonnes per Annum (MTPA) and 7416000 pieces per annum for manufacturing various auto ancillary 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.

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). 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

The rated entity has not shared the latest financial statements despite repeated requests.

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

Not Applicable

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
09-Jan-2020	Term Loans	Long Term	0.20	ACUITE BB (Indicative)
	Term Loans	Long Term	0.38	ACUITE BB (Indicative)
	Term Loans	Long Term	1.04	ACUITE BB (Indicative)
	Term Loans	Long Term	1.50	ACUITE BB (Indicative)
	Proposed Term Loan	Long Term	3.00	ACUITE BB (Indicative)
	Proposed Bank Facility	Long Term	0.04	ACUITE BB (Indicative)
29-Oct-2018	Term Loans	Long Term	0.20	ACUITE BB / Stable (Assigned)
	Term Loans	Long Term	0.38	ACUITE BB / Stable (Assigned)
	Term Loans	Long Term	1.04	ACUITE BB / Stable (Assigned)
	Term Loans	Long Term	1.50	ACUITE BB / Stable (Assigned)
	Proposed Term Loan	Long Term	3.00	ACUITE BB / Stable (Assigned)
	Proposed Bank Facility	Long Term	0.04	ACUITE BB / 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
Term loans	Not Available	Not Available	Not Available	0.20	ACUITE BB- (Downgraded & Withdrawn) Issuer not co-operating*
Term loans	Not Available	Not Available	Not Available	0.38	ACUITE BB- (Downgraded & Withdrawn) Issuer not co-operating*
Term loans	Not Available	Not Available	Not Available	1.04	ACUITE BB- (Downgraded & Withdrawn) Issuer not co-operating*
Term loans	Not Available	Not Available	Not Available	1.50	ACUITE BB- (Downgraded & Withdrawn) Issuer not co-operating*
Proposed Term loans	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE BB- (Downgraded & Withdrawn) Issuer not co-operating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	0.04	ACUITE BB- (Downgraded & Withdrawn) Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
<p>Aditya Gupta Vice President- Corporate and Infrastructure Sector Tel: 022-49294041 aditya.gupta@acuited.in</p> <p>Avadhoot Mane Senior Analyst - Rating Operations Tel: 022-49294051 avadhoot.mane@acuited.in</p>	<p>Varsha Bist Senior Manager - Rating Desk Tel: 022-49294011 rating.desk@acuited.in</p>

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.

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