Press Release

Victory Spinning Mills Private Limited

April 08, 2021

Rating Update

Total Bank Facilities Rated*	Rs. 80.00 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.*

Acuité 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. 80.00 crore bank facilities of Victory Spinning Mills Private Limited. The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

Victory Spinning Mills Limited (VSML) was incorporated as a private limited company in 2003. The company was started by Mr.R.Thangavelu, his son Mr.T.Balachandhar and also by Mr.P.S. Sundaram. Located in the Erode district of Tamilnadu, VSML's spinning units currently have a combined installed capacity of 57792 spindles manufacturing synthetic yarn of counts Ne 8s Viscose White , Ne 16s Viscose White ,Ne 20s Viscose White, Ne 24s Viscose White, Ne 30s Viscose White, Ne 40s Viscose White. The company mainly caters to the domestic market.

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 the due date.

This rating continues to be flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité'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

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 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

Acuité 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
10-Jan-2020	Cash Credit	Long Term	36.00	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
	Term Loan	Long Term	13.42	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
	Term Loan	Long Term	0.49	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
	Term Loan	Long Term	3.01	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
	Term Loan	Long Term	0.85	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
	Term Loan	Long Term	18.66	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
	Proposed Bank Facility	Long Term	4.34	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
	Letter of Credit	Short Term	1.00	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*
	Bank Guarantee	Short Term	2.23	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*
31-Oct-2018	Cash Credit	Long Term	36.00	ACUITE BBB-/ Stable (Assigned)
	Term Loan	Long Term	13.42	ACUITE BBB-/ Stable (Assigned)
	Term Loan	Long Term	0.49	ACUITE BBB-/ Stable (Assigned)
	Term Loan	Long Term	3.01	ACUITE BBB-/ Stable (Assigned)
	Term Loan	Long Term	0.85	ACUITE BBB-/ Stable (Assigned)
	Term Loan	Long Term	18.66	ACUITE BBB-/ Stable (Assigned)
	Proposed Bank Facility	Long Term	4.34	ACUITE BBB-/ Stable (Assigned)
	Letter of Credit	Short Term	1.00	ACUITE A3 (Assigned)
	Bank Guarantee	Short Term	2.23	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	36.00	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
Term Loan	Not Available	Not Applicable	Not Available	13.42	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
Term Loan	Not Available	Not Applicable	Not Available	0.49	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
Term Loan	Not Available	Not Applicable	Not Available	3.01	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
Term Loan	Not Available	Not Applicable	Not Available	0.85	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
Term Loan	Not Available	Not Applicable	Not Available	18.66	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	4.34	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE A4+ Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	2.23	ACUITE A4+ Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
Aditya Gupta Head- Corporate and Infrastructure Sector Tel: 022-49294041 aditya.gupta@acuite.in Ashvita Ramesh Analyst - Rating Operations Tel: 022-49294064 Ashvita.ramesh@acuite.in	Varsha Bist Senior Manager - Rating Desk Tel: 022-49294011 rating.desk@acuite.in

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.