

Press Release

Vibrant Fashions Private Limited

September 03, 2021



Rating Update

Total Bank Facilities Rated#	Rs.10.00 Cr.
Long Term Rating	ACUITE D (Downgraded from ACUITE B) Issuer not co-operating*
Short Term Rating	ACUITE D (Downgraded from ACUITE A4) Issuer not co-operating*

Refer Annexure for details

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

Rating Rationale

Acuité has downgraded the long term rating to '**ACUITE D**' (**read as ACUITE D**) from '**ACUITE B**' (**read as ACUITE B**) and the short term rating to '**ACUITE D**' (**read as ACUITE D**) from '**ACUITE A4**' (**read as ACUITE A four**) on the Rs.10.00 Cr. bank facilities of Vibrant Fashions Private Limited (Vibrant Fashions). The rating continues to be flagged as an 'Issuer Not-Cooperating' based on best available information.

The rating downgrade is based on the delays observed in servicing of the bank facilities availed by JIPL.

About the Entity

Vibrant Fashions Private Limited (Vibrant Fashions) was incorporated in 2011 by Mr. Nirmal Desai and Mr. Himanshu Chowksi. The company is engaged in manufacturing of readymade garments only for women. The company outsources the manufacturing activity to manufacturers located in Surat. The company exports to countries including Hong Kong, Dubai, Trinidad and Singapore as well 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.

Acuité 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>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-53.htm>

Note on complexity levels of the rated instrument

<https://www.acuite.in/view-rating-criteria-55.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 has endeavoured 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 Position

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

Rating Sensitivities

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

About the Rated Entity - Key Financials

The rated entity has not shared the latest No Default Statement despite repeated requests.

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

Not Applicable

Any other information

None

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
20-May-2021	Packing Credit	Short Term	9.00	ACUITE A4 (Indicative)
	Cash Credit	Long Term	1.00	ACUITE B (Indicative)
24-Feb-2020	Packing Credit	Short Term	9.00	ACUITE A4 (Downgraded & Indicative)
	Cash Credit	Long Term	1.00	ACUITE B (Downgraded & Indicative)
18-Dec-2018	Packing Credit	Short Term	9.00	ACUITE A4+ (Assigned)
	Cash Credit	Long Term	1.00	ACUITE BB / Stable (Assigned)

#Annexure – Details of instruments rated

Lender Name	Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Canara Bank	Packing Credit	Not Applicable	Not Applicable	Not Applicable	9.00	ACUITE D (Downgraded from ACUITE A4) Issuer not co-operating*
Canara Bank	Cash Credit	Not Applicable	Not Available	Not Applicable	1.00^	ACUITE D (Downgraded from ACUITE B) Issuer not co-operating*

[^]Fully interchangeable with Bills discounting and includes sublimit of only packing credit to the tune of Rs. 4.50crore.

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

Contacts

Analytical	Rating Desk
Aditya Gupta Vice President – Corporate Ratings Tel: 022 – 49294041 aditya.gupta@acuite.in	Varsha Bist Senior Manager – Rating Desk Tel: 022 – 49294011 rating.desk@acuite.in
Aditya Sahu Analyst – Rating Operations Tel: 022 – 49294055 aditya.sahu@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 8,900 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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