

Press Release

Venus Pipes and Tubes Private Limited

May 13, 2020

Rating Update



Total Bank Facilities Rated*	Rs. 25.00 Cr. #
Long Term Rating	ACUITE BB- (Downgraded and Indicative)
Short Term Rating	ACUITE A4+ (Indicative)

Refer Annexure for details

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

Acuite has downgraded the long term rating to '**ACUITE BB-**' (read as **ACUITE Double B minus**) from **ACUITE BB'** (read as **ACUITE Double B**) and reviewed the short term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) to the above mentioned bank facilities of Rs. 25.00 crores for Venus Pipes and Tubes Private Limited (VPTL). This rating is now an indicative rating and is based on best available information. The downgrade is due to information risk.

VPTL, based at Gandhidham (Gujarat), was incorporated in 2015. The company started its commercial operations from January 2016. VPTL is promoted by Mr. Meghram Choudhary, Mr. Jayantiram Choudhary, Mr. Mahesh Puj, Mr. Hemant Shah and Mr. Dhruv Patel. The company is engaged in manufacturing of stainless steel welded pipes and tubes. The manufacturing unit is located at Gandhidham having installed capacity of 6600 Metric Tonnes (MT).

Analytical Approach

Acuite has considered the standalone business and financial risk profiles of VPTL to arrive at this rating.

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.

The rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>
- Manufacturing Entities- <https://www.acuite.in/view-rating-criteria-4.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 endeavored 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 attempts.

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
22-Mar-2019	Overdraft	Long Term	10.00	ACUITE BB/Stable (Assigned)
	Term Loans	Long Term	3.40	ACUITE BB/Stable (Assigned)
	Letter of credit	Short Term	4.60	ACUITE A4+ (Assigned)
	Proposed Facility	Long Term	7.00	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
Overdraft	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE BB- (Downgraded and Indicative)
Term Loans	Not Applicable	Not Applicable	Not Applicable	3.40	ACUITE BB- (Downgraded and Indicative)
Letter of credit	Not Applicable	Not Applicable	Not Applicable	4.60	ACUITE A4+ (Indicative)
Proposed Facility	Not Applicable	Not Applicable	Not Applicable	7.00	ACUITE BB- (Downgraded and Indicative)

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

Contacts

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About Acuite Ratings & Research:

Acuite Ratings & Research Limited (Erstwhile ACUITE Ratings 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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