

Press Release

VGN Homes Private Limited

October 12, 2022



Rating Reaffirmed & Withdrawn and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	175.00	ACUITE BB Reaffirmed & Withdrawn Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	175.00	-	-

Rating Rationale

Acuite has reaffirmed & withdrawn the long term rating of '**ACUITE BB**' (read as **ACUITE double B**) on the Rs.175 crore bank facilities of VGN Homes Private Limited. The rating withdrawal is in accordance with the Acuite's policy on withdrawal of rating. This rating is now an indicative rating and is based on best available information. The rating is being withdrawn on account of request received from the company and NOC received from the banker.

About the Company

VGN Homes Private Limited and VGN Enterprises Private Limited are the two flagship Companies of the Chennai based "VGN Group". The group is in the realty business since 1984 headed by Sri. V.N. Devadoss, Chairman of the group. The company is mainly engaged in developing of plotted real estate projects. The company has over 9-10 years of relations with their suppliers

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 noncooperation 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 notcooperating", in line with prevailing SEBI regulations and Acuite's policies.

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.

Rating Sensitivities

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

Material Covenants

None

Liquidity Position

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

Outlook

Not applicable

Other Factors affecting Rating

None

Key Financials:

The issuer has not provided the latest financials for Acuite to comment upon

Status of non-cooperation with previous CRA

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

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

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
09 Jun 2022	Secured Overdraft	Long Term	14.00	ACUITE BB Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	115.29	ACUITE BB Stable (Reaffirmed)
	Term Loan	Long Term	31.00	ACUITE BB Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	2.54	ACUITE BB Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	1.44	ACUITE BB Stable (Reaffirmed)
	Term Loan	Long Term	7.84	ACUITE BB Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	2.89	ACUITE BB Stable (Reaffirmed)
06 May 2020	Term Loan	Long Term	8.36	ACUITE BB (Withdrawn)
	Term Loan	Long Term	14.86	ACUITE BB Stable (Upgraded from ACUITE B+ Stable)
	Term Loan	Long Term	13.91	ACUITE BB (Withdrawn)

	Secured Overdraft	Long Term	14.00	ACUITE BB Stable (Upgraded from ACUITE B+ Stable)
	Proposed Bank Facility	Long Term	146.14	ACUITE BB Stable (Upgraded from ACUITE B+ Stable)
08 May 2019	Term Loan	Long Term	18.58	ACUITE B+ Stable (Assigned)
	Term Loan	Long Term	13.91	ACUITE B+ Stable (Assigned)
	Proposed Bank Facility	Long Term	45.15	ACUITE B+ Stable (Assigned)
	Term Loan	Long Term	8.36	ACUITE B+ Stable (Assigned)
	Secured Overdraft	Long Term	14.00	ACUITE B+ Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	115.29	ACUITE BB Reaffirmed & Withdrawn Issuer not co-operating*
Union Bank of India	Not Applicable	Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	14.00	ACUITE BB Reaffirmed & Withdrawn Issuer not co-operating*
Kotak Mahindra Bank	Not Applicable	Term Loan	07-07-2021	7.25	31-07-2028	31.00	ACUITE BB Reaffirmed & Withdrawn Issuer not co-operating*
State Bank of India	Not Applicable	Term Loan	28-05-2015	12.35	30-06-2023	7.84	ACUITE BB Reaffirmed & Withdrawn Issuer not co-operating*
Union Bank of India	Not Applicable	Working Capital Term Loan	30-12-2020	7.50	31-01-2025	2.54	ACUITE BB Reaffirmed & Withdrawn Issuer not co-operating*
State Bank of India	Not Applicable	Working Capital Term Loan	19-12-2020	7.95	31-01-2025	2.89	ACUITE BB Reaffirmed & Withdrawn Issuer not co-operating*
State Bank of India	Not Applicable	Working Capital Term Loan	26-11-2021	7.65	31-12-2027	1.44	ACUITE BB Reaffirmed & Withdrawn

							Issuer not CO- operating*
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Contacts

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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