

Press Release

Vanipriya Textiles Private Limited

December 22, 2020

Rating Update



Total Bank Facilities Rated*	Rs. 10.00 Cr. #
Long Term Rating	ACUITE B+ Downgraded and 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 B+**' (read as **ACUITE B plus**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) on the Rs. 10.00 crore bank facilities of Vanipriya Textiles Private Limited (VTPL).

This rating is downgraded on account of information risk and non-submission of relevant information sought from the company for review of ratings. The rating is now an indicative rating and is based on the best available information.

Vanipriya Textiles Private Limited (VTPL) based Mumbai was incorporated in 1989. The company is involved in Manufacturing of Yarn-Spinning related to textiles. The Plant is located at Dindigul Tamilnadu and specialized in Fancy yarn. The top customers of yarn are D Décor Export & D Décor Home fabrics, Dicitex Furnishing, G M Syntax, Siyaram Silk mill.

About group

K K Birla Group is promoted by Mr. Kamal Birla since 1966 and is engaged in trading, manufacturing of various type of yarns. The group is specialized in fancy yarn and has over two decades of established presence in the textile yarn industry. The group consist of two companies which is K K Birla and Co (KKBC) and Vanipriya Textiles Private Limited (VTPL). The manufacturing unit is located at Dindigul Tamil Nadu with an installed capacity of 15000 spindles.

This rating is downgraded on account of information risk and non-submission of relevant information sought from the company for review of ratings. The rating is now an indicative rating and is based on the best available information.

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.

This rating is therefore being 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 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.

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

Not Applicable

Rating History (Upto last three years)

Date	Name of Instrument/ Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
08-Nov-2019	Cash Credit	Long Term	10.00	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. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE B+ Downgraded and Issuer not co-operating*

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

Contacts

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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 8,481 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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