



Press Release
Vaswani Industries Limited
November 02, 2023

Rating Reaffirmed, Withdrawn & Issuer Not Cooperating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Ratings Loan	32.95	ACUITE BB+ Reaffirmed & Withdrawn Issuer not co-operating*	-
Bank Ratings Loan	7.00	Not Applicable Withdrawn	-
Bank Ratings Loan	26.00	-	ACUITE A4+ Reaffirmed & Withdrawn Issuer not co-operating*
Bank Ratings Loan	6.00	-	Not Applicable Withdrawn
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	71.95	-	-

Rating Rationale

Acuite has reaffirmed and withdrawn the long-term rating of '**ACUITE BB+**' (read as **ACUITE double B plus**) and short term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs. 58.95 crore bank facilities and withdrawn the long-term rating and short term rating on the Rs. 13.00 crore bank facilities of Vaswani Industries Limited (VIL). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

The rating has been withdrawn on Acuite's policy of withdrawal of ratings. The rating has been withdrawn on account of the request received from the company and repayment of the loan to the tune of Rs.13 cr for which the NOC & NDC has been received from the bankers.

About the Company

Incorporated in the year 2003, VIL commenced its operations in February, 2004 by Mr. Ravi Vaswani and Mr. Yashwant Vaswani. The operations are currently led by Mr. Yashwant Vaswani. VIL is engaged in manufacturing of sponge iron and steel billets having an annual production capacity of 90,000 MT and 66,000 MT, respectively. Further, it operates an 11.5 MW thermal power plant for captive consumption since 2009. VIL is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

Unsupported Rating

Not Applicable

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 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 not-cooperating", in line with prevailing SEBI regulations and Acuité'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). 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 ratings is based.

Rating Sensitivity

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

All 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

Particulars	Unit	FY 23 (Actual)	FY 22 (Actual)
Operating Income	Rs. Cr.	392.41	374.42
PAT	Rs. Cr.	6.01	4.42
PAT Margin	(%)	1.53	1.18
Total Debt/Tangible Net Worth	Times	0.34	0.53
PBDIT/Interest	Times	2.69	2.23

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
18 Oct 2023	Cash Credit	Long Term	18.00	ACUITE BB+ (Issuer not co-operating*)
	Letter of Credit	Short Term	5.00	ACUITE A4+ (Issuer not co-operating*)
	Letter of Credit	Short Term	11.00	ACUITE A4+ (Issuer not co-operating*)
	Cash Credit	Long Term	10.00	ACUITE BB+ (Issuer not co-operating*)
	Bank Guarantee	Short Term	3.00	ACUITE A4+ (Issuer not co-operating*)
	Standby Line of Credit	Long Term	4.95	ACUITE BB+ (Issuer not co-operating*)
	Letter of Credit	Short Term	12.00	ACUITE A4+ (Issuer not co-operating*)
	Cash Credit	Long Term	7.00	ACUITE BB+ (Issuer not co-operating*)
	Bank Guarantee	Short Term	1.00	ACUITE A4+ (Issuer not co-operating*)
06 Oct 2023	Cash Credit	Long Term	10.00	ACUITE BB+ (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	7.00	ACUITE BB+ (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	1.00	ACUITE A4+ (Downgraded and Issuer not co-operating*)
	Letter of Credit	Short Term	11.00	ACUITE A4+ (Downgraded and Issuer not co-operating*)
	Letter of Credit	Short Term	5.00	ACUITE A4+ (Downgraded and Issuer not co-operating*)
	Letter of Credit	Short Term	12.00	ACUITE A4+ (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	3.00	ACUITE A4+ (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	18.00	ACUITE BB+ (Downgraded and Issuer not co-operating*)
	Standby Line of Credit	Short Term	4.95	ACUITE BB+ (Downgraded and Issuer not co-operating*)
24 Aug 2022	Bank Guarantee	Short Term	3.00	ACUITE A3 (Downgraded from ACUITE A3+)
	Letter of Credit	Short Term	11.00	ACUITE A3 (Downgraded from ACUITE A3+)
	Cash Credit	Long Term	7.00	ACUITE BBB- Stable (Downgraded from ACUITE BBB Stable)
	Bank Guarantee	Short Term	1.00	ACUITE A3 (Downgraded from ACUITE A3+)
	Letter of Credit	Short Term	5.00	ACUITE A3 (Downgraded from ACUITE A3+)
	Cash Credit	Long Term	10.00	ACUITE BBB- Stable (Downgraded from ACUITE BBB Stable)
	Standby Line of Credit	Long Term	4.95	ACUITE BBB- Stable (Downgraded from ACUITE BBB Stable)
	Cash Credit	Long Term	18.00	ACUITE BBB- Stable (Downgraded from ACUITE BBB Stable)
		Short		ACUITE A3 (Downgraded from ACUITE

	Letter of Credit	Term	12.00	A3+)
26 May 2021	Cash Credit	Long Term	10.00	ACUITE BBB Stable (Assigned)
	Letter of Credit	Short Term	11.00	ACUITE A3+ (Assigned)
	Bank Guarantee	Short Term	1.00	ACUITE A3+ (Assigned)
	Cash Credit	Long Term	7.00	ACUITE BBB Stable (Assigned)
	Bank Guarantee	Short Term	3.00	ACUITE A3+ (Assigned)
	Standby Line of Credit	Long Term	4.95	ACUITE BBB Stable (Assigned)
	Cash Credit	Long Term	18.00	ACUITE BBB Stable (Assigned)
	Letter of Credit	Short Term	12.00	ACUITE A3+ (Assigned)
	Letter of Credit	Short Term	5.00	ACUITE A3+ (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
State Bank of India	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	3.00	ACUITE A4+ Reaffirmed & Withdrawn Issuer not co-operating*
Bank of Baroda	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	1.00	Not Applicable Withdrawn
State Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	18.00	ACUITE BB+ Reaffirmed & Withdrawn Issuer not co-operating*
IDBI Bank Ltd.	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	10.00	ACUITE BB+ Reaffirmed & Withdrawn Issuer not co-operating*
Bank of Baroda	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	7.00	Not Applicable Withdrawn
Bank of Baroda	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	Simple	5.00	Not Applicable Withdrawn
State Bank of India	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	Simple	12.00	ACUITE A4+ Reaffirmed & Withdrawn Issuer not co-operating*
IDBI Bank Ltd.	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	Simple	11.00	ACUITE A4+ Reaffirmed & Withdrawn Issuer not co-operating*
State Bank of India	Not Applicable	Stand By Line of Credit	Not Applicable	Not Applicable	Not Applicable	Simple	4.95	ACUITE BB+ Reaffirmed & Withdrawn Issuer not co-operating*

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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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