

## Press Release

### Vahini Irrigation Private Limited (VIPL)

12 January, 2018



#### Rating Update

<b>Total Bank Facilities Rated*</b>	Rs. 88.00 Cr. #
<b>Long Term Rating (Indicative)</b>	SMERA B+ Issuer not co-operating*
<b>Short Term Rating (Indicative)</b>	SMERA A4 Issuer not co-operating*

\* Refer Annexure for details

#### Rating Rationale

SMERA has reviewed the long term rating of '**SMERA B+** (read as SMERA B plus) and the short term rating of **SMERA A4** (read as SMERA A4) on the Rs. 88.00 crore bank facilities of Vahini Irrigation Private Limited (VIPL). This rating is now an indicative rating and is based on best available information.

**Non-cooperation by the issuer/borrower:** SMERA 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 due date.

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

#### Applicable Criteria

- Default Recognition - <https://www.smerra.in/criteria-default.htm>
- Manufacturing Entities - <https://www.smerra.in/criteria-manufacturing.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). SMERA endeavoured to gather information about the entity / industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

#### About the Rated Entity:

VIPL, incorporated in 1999, is a Karnataka-based company engaged in the manufacture of PVC pipes and drip irrigation equipments. The company has installed capacity of 9,600 metric tonnes per annum for PVC pipes.

For FY2015-16 (provisional), VIPL reported profit after tax (PAT) of Rs.1.20 crore on operating income of Rs.121.71 crore, as compared with PAT of Rs.0.24 crore on operating income of Rs.89.77 crore in FY2014-15. The company's net worth stood at Rs.14.65 crore as on March 31, 2015, as compared with Rs.4.38 crore a year earlier.

## Rating History for the last three years:

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
19 <sup>th</sup> October 2016	Cash Credit	Long Term	6.40	SMERA B+/Stable (Suspension Revoked/ Rating Assigned)
	Term loan	Long Term	44.17	SMERA B+/Stable (Suspension Revoked/ Rating Assigned)
	Letter of Credit/ Buyers Credit	Short Term	5.50	SMERA A4 (Suspension Revoked/ Rating Assigned)
	Cash Credit (Proposed)	Long Term	17.60	SMERA B+/Stable (Suspension Revoked/ Rating Assigned)
	Letter of Credit/ Buyers Credit (Proposed)	Short Term	14.33	SMERA A4 (Suspension Revoked/ Rating Assigned)
26 <sup>th</sup> April 2016	Cash Credit	Long Term	6.40	SMERA B+/Stable (Suspended)
	Cash Credit (Proposed)	Long Term	18.60	SMERA B+/Stable (Suspended)
	Term loan (Proposed)	Long Term	43.00	SMERA B+/Stable (Suspended)
	Letter of Credit/ Buyers Credit	Short Term	5.50	SMERA A4 (Suspended)
	Letter of Credit/ Buyers Credit (Proposed)	Short Term	14.50	SMERA A4 (Suspended)
29 <sup>th</sup> January 2015	Cash Credit	Long Term	6.40	SMERA B+/Stable (Assigned)
	Cash Credit (Proposed)	Long Term	18.60	SMERA B+/Stable (Assigned)

	Term loan (Proposed)	Long Term	43.00	SMERA B+/Stable (Assigned)
	Letter of Credit/ Buyers Credit	Short Term	5.50	SMERA A4 (Assigned)
	Letter of Credit/ Buyers Credit (Proposed)	Short Term	14.50	SMERA A4 (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
Cash Credit	Not Applicable	Not Applicable	Not Applicable	6.40	SMERA B+ (Indicative)
Term loans	Not Applicable	Not Applicable	Not Applicable	4.17	SMERA B+ (Indicative)
Term loans	Not Applicable	Not Applicable	Not Applicable	40.00	SMERA B+ (Indicative)
Cash Credit (Proposed)	Not Applicable	Not Applicable	Not Applicable	17.60	SMERA B+ (Indicative)
Letter of Credit/ Buyers Credit	Not Applicable	Not Applicable	Not Applicable	5.50	SMERA A4 (Indicative)
Letter of Credit/ Buyers Credit (Proposed)	Not Applicable	Not Applicable	Not Applicable	14.33	SMERA A4 (Indicative)

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

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## ABOUT SMERA

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