

Press Release

Vahini Irrigation Private Limited (VIPL)

April 17, 2019

Rating Update



Total Bank Facilities Rated*	Rs. 88.00 Cr.#
Long Term Rating	ACUITE B+ Issuer not co-operating*
Short Term Rating	ACUITE A4 Issuer not co-operating*

#Refer Annexure for details

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

Acuité has reviewed the long-term rating of '**ACUITE B+**' (read as **ACUITE B plus**) and the short term rating of **ACUITE A4** (read as **ACUITE A four**) to 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.

The day-to-day operations are managed by the proprietor. 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.

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 due date.

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-17.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). Acuité endeavored 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

	Unit	FY15 (Actual)	FY14 (Actual)
Operating Income	Rs. Cr.	89.77	46.50
EBITDA	Rs. Cr.	43.52	34.72
PAT	Rs. Cr.	1.59	1.93
EBITDA Margin	(%)	5.18	6.42
PAT Margin	(%)	0.26	1.52
ROCE (%)	(%)	16.45	18.28
Total Debt/Tangible Net Worth	Times	3.01	2.65
PBDIT/Interest	Times	2.98	2.41
Total Debt/PBDIT	Times	-	-
Gross Current Assets (Days)	Days	-	-

Status of non-cooperation with previous CRA (if applicable)

None

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 (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
12-Jan-2018	Cash Credit	Long Term	6.40	ACUITE B+ Issuer not co-operating*
	Term Loans	Long Term	4.17	ACUITE B+ Issuer not co-operating
	Term Loans	Long Term	40.0	ACUITE B+ Issuer not co-operating*
	Cash Credit (Proposed)	Short Term	17.60	ACUITE B+ Issuer not co-operating*
	Letter of Credit	Short Term	5.50	ACUITE A4 Issuer not co-operating
	Letter of Credit/ Buyers Credit (Proposed)	Short Term	14.33	ACUITE A4 Issuer not co-operating
19-Oct-2016	Cash Credit	Long Term	6.40	ACUITE B+/Stable (Suspension Revoked/ Rating Assigned)
	Term Loans	Long Term	4.17	ACUITE B+/Stable (Suspension Revoked/ Rating Assigned)
	Term Loans	Long Term	40.0	ACUITE B+/Stable (Suspension Revoked/ Rating Assigned)
	Cash Credit (Proposed)	Short Term	17.60	ACUITE B+/Stable (Suspension Revoked/ Rating Assigned)
	Letter of Credit	Short Term	5.50	ACUITE A4 (Suspension Revoked/ Rating Assigned)
	Letter of Credit/ Buyers Credit (Proposed)	Short Term	14.33	ACUITE A4 (Suspension Revoked/ Rating Assigned)
26th April 2016	Cash Credit	Long Term	6.40	ACUITE B+/Stable (Suspension)
	Term Loans	Long Term	43.00	ACUITE B+/Stable (Suspension)
	Cash Credit (Proposed)	Short Term	18.60	ACUITE B+/Stable (Suspension)
	Letter of Credit	Short Term	5.50	ACUITE A4 (Suspension)
	Letter of Credit/ Buyers Credit (Proposed)	Short Term	14.50	ACUITE A4 (Suspension)

*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	ACUITE B+ Issuer not co-operating*

Term Loans	Not Applicable	Not Applicable	Not Applicable	4.17	ACUITE B+ Issuer not co-operating
Term Loans	Not Applicable	Not Applicable	Not Applicable	40.0	ACUITE B+ Issuer not co-operating*
Cash Credit (Proposed)	Not Applicable	Not Applicable	Not Applicable	17.60	ACUITE B+ Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	5.50	ACUITE A4 Issuer not co-operating
Letter of Credit/ Buyers Credit (Proposed)	Not Applicable	Not Applicable	Not Applicable	14.33	ACUITE A4 Issuer not co-operating

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

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About Acuite Ratings & Research:

Acuite Ratings & Research Limited (*Erstwhile SMERA 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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