

Press Release

Venus Industries

March 19, 2019

Rating Update



Total Bank Facilities Rated*	Rs. 10.00 Cr. #
Long Term Rating	ACUITE BB Issuer not co-operating*

Refer Annexure for details

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

Acuite has reviewed long-term rating of „**ACUITE BB⁺** (read as **ACUITE double B**) on the Rs. 10.00 crore bank facilities of Venus Industries. This rating is now an indicative rating and is based on best available information.

Venus Industries, a Ratnagiri-based partnership firm was established in 2013 by Mr. Tushar Deolekar and Mr. Nilankan Deolekar (Managing Partner). The firm is engaged in the processing of Khair wood for manufacturing of Kattha (Catechu), Tannin, Khair Juice and Kutch. The manufacturing facility is located at Ratnagiri with capacity of 1.20 lakh kgs - Katha (Catechu) and 5.40 lakh kgs of Khair juice annually. The average utilisation is around 80 percent. The firm has an established customer base in Delhi, Daman, Kanpur, Vadodara, Bangalore and Noida.

Analytical approach

Acuite has considered the standalone business and financial risk profiles of Venus Industries to arrive at the rating.

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 due date.

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

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.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). Acuite endeavoured 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.

About the Rated Entity - Key Financials

	Unit	FY17 (Actual)	FY16 (Actual)	FY15 (Actual)
Operating Income	Rs. Cr.	18.36	11.26	9.02
EBITDA	Rs. Cr.	1.73	1.81	1.81
PAT	Rs. Cr.	0.54	0.34	0.23
EBITDA Margin	(%)	9.42	16.08	20.03
PAT Margin	(%)	2.94	3.02	2.58
ROCE (%)	(%)	13.16	11.86	23.79
Total Debt/Tangible Net Worth	Times	3.95	8.17	9.54
PBDIT/Interest	Times	1.77	1.41	1.30

Total Debt/PBDIT	Times	4.32	6.77	6.85
Gross Current Assets (Days)	Days	157	411	508

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 (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
10-Jan-2018	Cash Credit	Long Term	5.00	ACUITE BB/Stable (Assigned)
	Proposed Bank Facility	Long Term	5.00	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	5.00	ACUITE BB Issuer not co-operating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE BB Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
Aditya Gupta Head - Corporate and Infrastructure Sector Ratings Tel: 022-49294041 aditya.gupta@acuite.in Sanket Kotkar Analyst – Rating Operations Tel: 02249294073 sanket.kotkar@acuite.in	Varsha Bist Manager - Rating Desk Tel: 022-67141160 rating.desk@acuite.in

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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