

**Press Release**

**Vikram Nuvotech India Private Limited**

**November 30, 2019**

**Ratings**

<b>Sl. No.</b>	<b>Instrument / Facility</b>	<b>Amount (Rs. Crores)</b>	<b>Rating</b>	<b>Rating Action</b>
<b>1</b>	Long Term Facility - Fund Based – Term Loan	87.00	IVR D	Revised from IVR BBB-with Stable Outlook (IVR Triple B Minus with Stable Outlook)
<b>2</b>	Long Term Facility – Fund Based – Cash Credit	35.00	IVR D	Revised from IVR BBB-with Stable Outlook (IVR Triple B Minus with Stable Outlook)
<b>3</b>	Long Term Facility – Non Fund Based – Bank Guarantee	6.25	IVR D	Revised from IVR BBB-with Stable Outlook (IVR Triple B Minus with Stable Outlook)
<b>4</b>	Short Term Facility - Letter of Credit	3.00	IVR D	Revised from IVR A3 with Stable Outlook (IVR A Three)

**Details of Facilities are in Annexure 1**

**Detailed Rationale**

The revision in ratings takes into account the delays in servicing the term debt obligations. However, the exact timelines of the delay are not available with Infomerics.

The company has not provided the No Default Statement for the month of October 2019.

**Analytical Approach & Applicable Criteria**

Standalone

Rating Methodology for Manufacturing Companies

Financial Ratios & Interpretation (Non-Financial Sector)

Criteria on Default Recognition and Post – Default Curing Period

## About the Company

**Vikram Nuvotech India Pvt. Ltd.** was originally incorporated on 27.07.1987 as Echkay Synthetics Private Limited. The name was changed to Sweety Processors Private Limited on 18.03.1993, on 29.07.1993 as **Pioneer Syntex Private Limited** and thereafter as Pioneer Nuvotech India Pvt. Ltd. And Vikram Nuvotech India Pvt. Ltd. (VNPL) during 2018-19. The company is engaged in dying and processing of fabrics meant for sarees and dress materials on job-work basis. VNPL has also entered into the field of technical textiles – Hygiene products, with Pioneer Hygiene Products (another division under VNPL). They manufacture breathable and non-breathable hygiene films which is used in products such as diapers, sanitary napkins and various medical products as well.

## Financials

(Rs. crore)

For the year ended/ As On	31-03-2018	31-03-2019
	(Audited)	(Provisional)
Total Operating Income	183.41	166.56
EBITDA	14.55	14.40
PAT	3.07	3.13
Total Debt	128.86	135.70
Tangible Networth	100.92	109.85
<b><u>Ratios</u></b>		
EBITDA Margin (%)	7.93	8.65
PAT Margin (%)	1.68	1.88
Overall Gearing Ratio (x)	1.28	1.28

*\*Classification as per Infomerics' standards.*

**Status of non-cooperation with previous CRA:** India Ratings and Research which has earlier rated the company, has classified it as “Issuer Not Cooperating” category due to non-submission of information as per Press Release dated December 14, 2018.

**Any other information: N.A**

**Rating History for last three years:**

Sl. No.	Name of Instrument/ Facilities	Type	Current Rating (Year 2019-20)			Rating History for the past 3 years		
			Amount outstanding (Rs. crore)	Assigned Rating	Previous Rating (Dated Sept 11, 2019)	Date(s) & Rating(s) assigned in 18-19	Date(s) & Rating(s) assigned in 17-18	Date(s) & Rating(s) assigned in 16-17
1.	Fund Based Limits – CC	Long Term	35.00	IVR D	IVR BBB- / Stable Outlook	--	--	--
2.	Term Loan	Long Term	87.00	IVR D	IVR BBB- / Stable Outlook	--	--	--
3.	Non Fund Based – Bank Guarantee	Long Term	6.25	IVR D	IVR BBB- / Stable Outlook	--	--	--
4..	Non Fund Based Limits - LC	Short Term	3.00	IVR D	IVR A3	--	--	--

**Note on complexity levels of the rated instrument:** Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at [www.infomerics.com](http://www.infomerics.com) .

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**About Infomerics:**

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. Company’s long experience in varied spectrum of financial services is helping it to fine tune its product offerings to best suit the market.

**Disclaimer:** Infomerics ratings are based on information provided by the issuer on an ‘as is where is’ basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

## Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Fund Based Limits – Cash Credit	--	--	--	35.00	IVR D
Long Term Debt - Term Loan	--	--	--	87.00	IVR D
Long Term Facility – Non Fund Based – Bank Guarantee	--	--	--	6.25	IVR D
Short Term Non-Fund Based Limits – Letter of Credit	--	--	--	3.00	IVR D