

## V Star Creations Private Limited

April 26, 2018

### Summary of rated instruments

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term - Term Loan	5.09	5.09	[ICRA]BBB(Stable);withdrawn
Long Term Fund based CC	19.00	19.00	[ICRA]BBB(Stable);withdrawn
Short term Fund based	1.10	1.10	[ICRA]A2; withdrawn
Short term fund based (Sublimits)	(1.50)	(1.50)	[ICRA]A2; withdrawn
Short term Non-fund based limits	0.05	0.05	[ICRA]A2; withdrawn
LT/ST: Unallocated	0.71	0.71	[ICRA]BBB (Stable)/[ICRA]A2; withdrawn
<b>Total</b>	<b>25.95</b>	<b>25.95</b>	

\*Instrument details are provided in Annexure-1

### Rating action

ICRA has withdrawn the rating of [ICRA]BBB (pronounced ICRA triple B) with stable outlook outstanding on the Rs. 5.09 crore term loan facilities and the Rs.19.00 crore long-term fund based facilities of V Star Creations Private Limited (V Star/the company)<sup>1</sup>. ICRA has also withdrawn the rating of [ICRA]A2 (pronounced ICRA A two) outstanding on the Rs.1.10 crore short-term fund based facilities, the Rs.1.50 crore short-term fund based facilities (sublimit) and the Rs. 0.05 crore short-term non-fund based facilities of V Star. ICRA has also withdrawn the [ICRA]BBB (pronounced ICRA triple B with a stable outlook)/[ICRA]A2 (pronounced ICRA A two) rating outstanding on the Rs.0.71 crore long term/short term unallocated facilities of the company.

### Rationale

The ratings have been withdrawn at the request of the company and based on no objection certificate provided by its bankers, in accordance with ICRA's policy on withdrawal and suspension of credit rating.

**Analytical approach:** For arriving at the ratings, ICRA has applied its rating methodologies as indicated below.

**Links to applicable criteria:**

[Corporate Credit Rating Methodology](#)

[ICRA policy on Withdrawal and Suspension of Credit rating](#)

<sup>1</sup> For complete rating scale and definitions, please refer to ICRA's website [www.icra.in](http://www.icra.in) or other ICRA Rating Publications

## About the company:

V Star Creations Private Limited is a modest-sized player in the branded innerwear industry. Established in 1995 as a partnership firm with a product portfolio comprising of churidar, nightwear and kids wear, the company added innerwear to its portfolio during FY2003. Subsequently, the company shifted its entire focus to branded innerwear from FY2009, as the volumes traded in other products dropped owing to intense competition. The company through its brand 'V-Star' (earlier 'Vanessa' for women's category and 'Valero' for men's category) caters to the branded innerwear market of Kerala and has marginal presence in Tamil Nadu, Karnataka and Andhra Pradesh. The company also exports a portion of its produce to the Middle East.

## Key Financial Indicators (Audited)

	FY2015	FY2016
Operating Income (Rs. crore)	78.1	97.5
PAT (Rs. crore)	3.8	3.4
OPBDIT/ OI (%)	8.9%	7.0%
RoCE (%)	20.9%	15.9%
Total Debt/ TNW (times)	0.3	0.8
Total Debt/ OPBDIT (times)	0.9	3.2
Interest coverage (times)	8.6	5.9
NWC/ OI (%)	24%	36%

Source: Company

**Status of non-cooperation with previous CRA: Not applicable**

**Any other information: None**

### Rating history for last three years:

		Current Rating (FY2019)			Chronology of Rating History for the past 3 years			
Instrument	Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs Crore)	Date & Rating April 2018	Date & Rating in FY2017 January 2017	Date & Rating in FY2016 October 2015	Date & Rating in FY2015 May 2014	
1	Bank Lines	Term Loan	5.09	5.09	[ICRA]BBB (Stable); withdrawn	[ICRA]BBB (Stable)	[ICRA]BBB (Stable)	[ICRA]BBB (Stable)
2	Bank Lines	Cash credit	19.00	NA	[ICRA]BBB (Stable); withdrawn	[ICRA]BBB (Stable)	[ICRA]BBB (Stable)	[ICRA]BBB (Stable)
3	Bank Lines	Packing credit	1.10	NA	[ICRA]A2; withdrawn	[ICRA]A2	[ICRA]A2	[ICRA]A2
4	Bank Lines	Packing credit in foreign currency (sublimit)	(1.50)	NA	[ICRA]A2; withdrawn	[ICRA]A2	[ICRA]A2	[ICRA]A2
5	Bank Lines	Bank Guarantee	0.05	NA	[ICRA]A2; withdrawn	[ICRA]A2	[ICRA]A2	NA
6	Bank Lines	Unallocated	0.71	NA	[ICRA]BBB (Stable)/ [ICRA]A2; withdrawn	[ICRA]BBB (Stable)/ [ICRA]A2	[ICRA]BBB (Stable)/ [ICRA]A2	[ICRA]BBB (Stable)/ [ICRA]A2

### Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website [www.icra.in](http://www.icra.in)

### Annexure-1: Instrument Details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
	Term Loan	NA	NA	NA	5.09	[ICRA]BBB(Stable); withdrawn
	Fund based CC	NA	NA	NA	9.00	[ICRA]BBB(Stable); withdrawn
	Fund based CC	NA	NA	NA	10.00	[ICRA]BBB(Stable); withdrawn
	Packing credit	NA	NA	NA	1.10	[ICRA]A2; withdrawn
	Packing credit in foreign currency (sublimit)	NA	NA	NA	(1.50)	[ICRA]A2; withdrawn
	Bank Guarantee	NA	NA	NA	0.05	[ICRA]A2; withdrawn
	Unallocated	NA	NA	NA	0.71	[ICRA]A2; withdrawn

Source: V Star Creations Private Limited

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For more information, visit [www.icra.in](http://www.icra.in)

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