

**Press Release**

**Parani Spinning Mills Private Limited**

November 01, 2021

**Rating Update**



<b>Total Bank Facilities Rated*</b>	Rs. 21.00 Cr.#
<b>Long Term Rating</b>	ACUITE D Issuer not co-operating*
<b>Short term Rating</b>	ACUITE D Issuer not co-operating*

\*Refer Annexure for details

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

Acuite has reviewed the long-term rating of '**ACUITE D' (read as ACUITE D)** and the short term rating of **ACUITE D' (read as ACUITE D)** on the Rs. 21.00 crore bank facilities of Parani Spinning Mills Private Limited (PSPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

PSPL, incorporated in 1988, is managed by Mr. Karuppuswamy and family. The company is engaged in manufacturing of cotton hosiery combed and melange yarns ranging from 25 to 40s counts. PSPL has its manufacturing unit at Vendasandur in Dindigul district (Tamil Nadu). The company has an installed capacity of 38912 spindles and production capacity of 9500 kgs per day. The company is utilising 90-95 percent of its production facilities.

**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 the 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/view-rating-criteria-52.htm>
- Manufacturing Entities- <https://www.acuite.in/view-rating-criteria-59.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 endeavored 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.

**Liquidity Indicators** - "No information provided by the issuer / available for Acuite to comment upon."

**Rating Sensitivity** - "No information provided by the issuer / available for Acuite to comment upon."

**About the Rated Entity - Key Financials**

The rated entity has not shared the latest financial statements despite repeated requests.

**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
4th Aug 20	Cash Credit	Long term	14.00	ACUITE D Issuer not co-operating*
	Term Loan	Long Term	0.46	ACUITE D Issuer not co-operating*
	Buyers Credit	Short Term	2.00	ACUITE D Issuer not co-operating*
	Letter of credit	Short Term	3.00	ACUITE D Issuer not co-operating*
	Proposed Fund Based Facility	Long term	1.54	ACUITE D Issuer not co-operating*
8th May 19	Cash Credit	Long term	14.00	ACUITE D (Downgraded from ACUITE B- / Stable) Issuer not co-operating*
	Term Loan	Long Term	0.46	ACUITE D (Downgraded from ACUITE B- / Stable) Issuer not co-operating*
	Buyers Credit	Short Term	2.00	ACUITE D (Downgraded from ACUITE A4) Issuer not co-operating*
	Letter of credit	Short Term	3.00	ACUITE D (Downgraded from ACUITE A4) Issuer not co-operating*
	Proposed Fund Based Facility	Long term	1.54	ACUITE D (Downgraded from ACUITE A4) Issuer not co-operating*
6th Mar 18	Cash Credit	Long term	14.00	ACUITE B-/Stable (Reaffirmed)
	Term Loan	Long Term	0.46	ACUITE B-/Stable (Reaffirmed)
	Buyers Credit	Short Term	2.00	ACUITE A4 (Reaffirmed)
	Letter of credit	Short Term	3.00	ACUITE A4 (Reaffirmed)
	Proposed Fund Based Facility	Long term	1.54	ACUITE B- / Stable (Reaffirmed)

**\*Annexure – Details of instruments rated**

Lender Name	Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
The Lakshmi Vilas Bank Limited	Cash Credit	Not Applicable	Not Applicable	Not Applicable	14.00	ACUITE D Issuer not co-operating*
The Lakshmi Vilas Bank Limited	Term Loan	Not Available	Not Available	Not Available	0.46	ACUITE D Issuer not co-operating*

The Lakshmi Vilas Bank Limited	Buyers Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE D Issuer not co-operating*
The Lakshmi Vilas Bank Limited	Letter of credit	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE D Issuer not co-operating*
Not Applicable	Proposed Fund Based Facility	Not Applicable	Not Applicable	Not Applicable	1.54	ACUITE D Issuer not co-operating*

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

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## About Acuité Ratings & Research:

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