

Press Release

Yes Knits

November 19, 2018

Rating Update



Total Bank Facilities Rated*	Rs. 4.96 Cr.#
Long Term Rating	ACUITE BB Issuer not co-operating*
Short Term Rating	ACUITE A4+

#refer Annexure for details

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

Rating Rationale

Acuité has reviewed the long-term rating of '**ACUITE BB**' (read as **ACUITE double B**) and the short term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs.4.96 crore bank facilities of Yes Knits (YK). This rating is now an indicative rating and is based on best available information.

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>
- Infrastructure Entities - <https://www.acuite.in/view-rating-criteria-14.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 endeavoured 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)	FY13 (Actual)
Operating Income	Rs. Cr.	19.90	12.87	14.53
EBITDA	Rs. Cr.	0.75	0.82	0.69
PAT	Rs. Cr.	0.45	0.38	0.42
EBITDA Margin	(%)	3.76	6.41	4.74
PAT Margin	(%)	2.26	2.97	2.89
ROCE	(%)	14.31	17.40	18.50
Total Debt/Tangible Net Worth	Times	0.72	0.49	0.66
PBDIT/Interest	Times	2.21	1.94	2.71
Total Debt/PBDIT	Times	4.00	1.87	2.65
Gross Current Assets (Days)	Days	-	-	-

About the Rated Entity:

Yes Knits (YK), established in 2001, is a Tamil Nadu-based proprietorship firm promoted by Mr. Senthil Kumar. The firm is involved in production of knitted garments and exports the same to USA and European countries. The administrative office and the manufacturing unit are located in Tirupur.

For FY2014-15 (refers to financial year, April 01 to March 31), YK registered profit after tax (PAT) of Rs.0.45 crore on operating income of Rs.19.90 crore as compared with profit after tax (PAT) of Rs.0.38 crore on operating income of Rs.12.87 crore in FY2013-14.

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
29-September-17	Term Loan	Long term	0.54	ACUITE BB/Stable (Indicative)
	Cash Credit	Long term	0.12	ACUITE BB/Stable (Indicative)
	Packing Credit	Long term	1.50	ACUITE BB/Stable (Indicative)
	Foreign Bill Purchase	Long term	2.40	ACUITE BB/Stable (Indicative)
	Forward Contract	Short term	0.40	ACUITE A4+ (Indicative)
04-July-2016	Term Loan	Long term	0.54	ACUITE BB/Stable (Reaffirmed)
	Cash Credit	Long term	0.12	ACUITE BB/Stable (Reaffirmed)
	Packing Credit	Long term	1.50	ACUITE BB/Stable (Reaffirmed)
	Foreign Bill Purchase	Long term	2.40	ACUITE BB/Stable (Reaffirmed)
	Forward Contract	Short term	0.40	ACUITE A4+ (Reaffirmed)

25-June-2015	Term Loan	Long term	0.54	ACUITE BB/Stable (Assigned)
	Cash Credit	Long term	0.12	ACUITE BB/Stable (Assigned)
	Packing Credit	Long term	1.50	ACUITE BB/Stable (Assigned)
	Foreign Bill Purchase	Long term	2.40	ACUITE BB/Stable (Assigned)
	Forward Contract	Short term	0.40	ACUITE A4+ (Assigned)

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.54	ACUITE BB Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	0.12	ACUITE BB Issuer not co-operating*
Packing Credit	Not Applicable	Not Applicable	Not Applicable	1.50	ACUITE BB Issuer not co-operating*
Foreign Bill Purchase	Not Applicable	Not Applicable	Not Applicable	2.40	ACUITE BB Issuer not co-operating*
Forward Contract	Not Applicable	Not Applicable	Not Applicable	0.40	ACUITE A4+ 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@acuите.in Aditi A Shah Analyst - Rating Operations Tel: 022- 49294063 aditi.s@acuiteratings.in	Varsha Bist Manager - Rating Desk Tel: 022-67141160 rating.desk@acuите.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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