

Press Release

Compact Spinners India Private Limited

July 15, 2021

Rating Update



Total Bank Facilities Rated*	Rs.5.60 Cr.#
Long Term Rating	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*

#Refer Annexure for details

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

Acuite has downgraded the long-term rating to '**ACUITE BB-' (read as ACUITE double B minus)** from '**ACUITE BB' (read as ACUITE double B)**' on the Rs. 5.60 crore bank facilities of Compact Spinners India Private Limited (CSIPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

CSIPL is a Dindigul based company established in the year 2004 by Mr. A. Chockalingam, Mrs. Neela Chockalingam, and Mr. Neela Chockalingam, among others. The company is engaged in the manufacture of cotton yarn of count ranging 40s to 60s which is used to manufacture fabric for readymade garments. The company's manufacturing unit is located at Dindigul district, Tamil Nadu with an installed capacity of 14,920 spindles. The company is on course to add further capacity of around 11,000 spindles along with humidification equipment which is expected to commence operations from March 2018. CSIPL has a client concentration in Maharashtra and procures raw material, i.e. cotton, from various traders located in Karnataka, Telangana and Maharashtra.

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
20-Apr-2020	Cash Credit	Long Term	3.00	ACUITE BB Issuer not co-operating*
	Term Loan	Long Term	0.08	ACUITE BB Issuer not co-operating*
	Term Loan	Long Term	0.72	ACUITE BB Issuer not co-operating*
	Term Loan	Long Term	0.52	ACUITE BB Issuer not co-operating*
	Term Loan	Long Term	1.28	ACUITE BB Issuer not co-operating*
19-Feb-2019	Cash Credit	Long Term	3.00	ACUITE BB Issuer not co-operating*
	Term Loan	Long Term	0.08	ACUITE BB Issuer not co-operating*
	Term Loan	Long Term	0.72	ACUITE BB Issuer not co-operating*
	Term Loan	Long Term	0.52	ACUITE BB Issuer not co-operating*
	Term Loan	Long Term	1.28	ACUITE BB Issuer not co-operating*
12-Dec-2017	Cash Credit	Long Term	3.00	ACUITE BB/Stable (Assigned)
	Term Loan	Long term	0.08	ACUITE BB/Stable (Assigned)
	Term Loan	Long Term	0.72	ACUITE BB/Stable (Assigned)
	Term Loan	Long Term	0.52	ACUITE BB/Stable (Assigned)
	Term Loan	Long Term	1.28	ACUITE BB/Stable (Assigned)

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

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*
Term Loan	Not Available	Not Available	Not Available	0.08	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*
Term Loan	Not Available	Not Available	Not Available	0.72	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*
Term Loan	Not Available	Not Available	Not Available	0.52	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*
Term Loan	Not Available	Not Available	Not Available	1.28	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*

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

Contacts

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About Acuité Ratings & Research:

Acuité Ratings & Research 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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