

## Press Release

### Fashion Knits

August 02, 2019



### Rating Update

<b>Total Bank Facilities Rated*</b>	Rs. 37.53 Cr #
<b>Long Term Rating</b>	ACUITE BB Issuer not co-operating*
<b>Short Term Rating</b>	ACUITE A4+ Issuer not co-operating*

#Refer Annexure for details

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

Acuité has reviewed the long term rating of '**ACUITE BB**' (**read as ACUITE double B**) and short term rating of '**ACUITE A4+**' (**read as ACUITE A four plus**) on the Rs.37.53 crore bank facilities of Fashion Knits (FS). This rating is now an indicative rating and is based on best available information.

FS, established in 1991, is a Tamil Nadu-based partnership concern engaged in manufacturing of knitted garments. The firm's operation includes purchasing yarn and converting it into grey cloth and dyeing fabrics. It outsource's the work for dyeing to its group company R R Dyeing.

The R R Group is a Tamil Nadu-based group engaged in dyeing, printing of grey cloth and manufacturing of knitted garments. The group comprises three firms viz. R R Dyeing (RRD), R R Knitting & Sons (RRKS) and Fashion Knits (FK). The group exports majorly to Europe

#### **Non-cooperation by the issuer/borrower:**

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance and review of the rating. However, the issuer or 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>
- Consolidation of Companies- <https://www.acuite.in/view-rating-criteria-22.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.htm>

#### **Limitation regarding information availability:**

The rating is based on information available from sources other than the issuer or borrower (in the absence of information provided by the issuer or borrower). Acuité endeavored to gather information about the entity or 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**

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**

Acuité 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
07 May, 2018	Term loan	Long Term	1.64	ACUITE BB Issuer not co-operating*
	Packing Credit	Short Term	28.00	ACUITE A4+ Issuer not co-operating*
	Bill Discounting	Short Term	6.00	ACUITE A4+ Issuer not co-operating*
	Letter of Credit	Short Term	1.89	ACUITE A4+ Issuer not co-operating*
27 February, 2017	Term loan	Long Term	1.64	ACUITE BB/Stable (Reaffirmed)
	Packing Credit	Short Term	28.00	ACUITE A4+ (Reaffirmed)
	Bill Discounting	Short Term	6.00	ACUITE A4+ (Reaffirmed)
	Letter of Credit	Short Term	1.89	ACUITE A4+ (Reaffirmed)
31 July, 2015	Term loan	Long Term	1.64	ACUITE BB/Stable (Assigned)
	Packing Credit	Short Term	28.00	ACUITE A4+ (Assigned)
	Bill Discounting	Short Term	6.00	ACUITE A4+ (Assigned)
	Letter of Credit	Short Term	1.89	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	1.64	ACUITE BB Issuer not co-operating*
Packing Credit	Not Applicable	Not Applicable	Not Applicable	28.00	ACUITE A4+ Issuer not co-operating*
Bill Discounting	Not Applicable	Not Applicable	Not Applicable	6.00	ACUITE A4+ Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	1.89	ACUITE A4+ Issuer not co-operating*

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

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### **About Acuité Ratings & Research:**

Acuité 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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