

Press Release

Ess Pee Knit Wear

December 12, 2019



Rating Update

Total Bank Facilities Rated*	Rs. 22.50 Cr. #
Long Term Rating	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Short Term Rating	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*

Refer Annexure for details

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

Acuité has downgraded the long term rating of Ess Pee Knit Wear (EPKW) to '**ACUITE BB+** (read as **ACUITE double B plus**) from '**ACUITE BBB-** (read as **ACUITE triple B minus**) and short term rating to '**ACUITE A4+** (read as **ACUITE A four plus**) from '**ACUITE A3**' (read as **ACUITE A three**). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

EPKW was established in 1992 by Mr. N. Palanisamy, Mr. T.S. Swaminathan and Mr. S. Mahesh Kumar. The firm is engaged in the business of manufacturing and export of hosiery goods (fashion apparels) for men, women and kids.

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.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

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). Acuité endeavored 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

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

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any other information

None

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook

12-Jul-2019	Packing Credit	Short Term	13.75	ACUITE A3 (Indicative)
	Post Shipment Credit	Short Term	2.50	ACUITE A3 (Indicative)
	Standby Line of Credit	Long Term	1.50	ACUITE BBB- (Indicative)
	Term Loan	Long Term	1.18	ACUITE BBB- (Indicative)
	Term Loan	Long Term	2.00	ACUITE BBB- (Indicative)
	Working Capital Term Loan	Long Term	0.96	ACUITE BBB- (Indicative)
	Proposed Bank Facility	Long Term	0.61	ACUITE BBB- (Indicative)
30-Apr-2018	Packing Credit	Short Term	13.75	ACUITE A3 (Reaffirmed)
	Post Shipment Credit	Short Term	2.50	ACUITE A3 (Reaffirmed)
	Standby Line of Credit	Long Term	1.50	ACUITE BBB- / Stable (Reaffirmed)
	Bank Guarantee	Short Term	0.05	ACUITE A3 (Withdrawn)
	Term Loan	Long Term	1.18	ACUITE BBB- / Stable (Assigned)
	Term Loan	Long Term	2.00	ACUITE BBB- / Stable (Assigned)
	Working Capital Term Loan	Long Term	0.96	ACUITE BBB- / Stable (Assigned)
	Proposed Bank Facility	Long Term	0.61	ACUITE A3 (Assigned)
07-Feb-2018	Packing Credit	Short Term	6.50	ACUITE A3 (Indicative)
	Post Shipment Credit	Short Term	2.50	ACUITE A3 (Indicative)
	Standby Line of Credit	Long Term	1.50	ACUITE BBB- (Indicative)
	Bank Guarantee	Short Term	0.05	ACUITE A3 (Indicative)
	Proposed Bank Facility	Long Term	6.95	ACUITE BBB- (Indicative)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs.Cr.)	Ratings
Packing Credit	Not Applicable	Not Applicable	Not Applicable	13.75	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*
Post Shipment Credit	Not Applicable	Not Applicable	Not Applicable	2.50	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*
Standby Line of Credit	Not Applicable	Not Applicable	Not Applicable	1.50	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	1.18	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Working Capital Term Loan	Not Applicable	Not Applicable	Not Applicable	0.96	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	0.61	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*

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

Contacts

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About Acuité Ratings & Research:

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