

Press Release

Ess Pee Knit Wear

May 20, 2022



Rating Downgraded, Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	16.25	-	ACUITE A4+ Reaffirmed Issuer not co-operating*
Bank Loan Ratings	6.25	ACUITE BB- Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	22.50	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuité has downgraded the long-term rating to '**ACUITE BB-**' (read as **ACUITE double B minus**) from '**ACUITE BB**' (read as **ACUITE double B**) and reaffirmed the short-term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs. 22.50 crore bank facilities of Ess Pee Knit Wear (EPKW). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

About the Company

Tirupur based - 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 the due date.

This rating continues to be flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

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.

Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

Material Covenants

Not Applicable

Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

Outlook

Not Applicable

Status of non-cooperation with previous CRA

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.

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
16 Feb 2021	Term Loan	Long Term	2.00	ACUITE BB (Downgraded and Issuer not co-operating*)
	Standby Line of Credit	Long Term	1.50	ACUITE BB (Downgraded and Issuer not co-operating*)
	Packing Credit	Short Term	13.75	ACUITE A4+ (Issuer not co-operating*)
	Term Loan	Long Term	1.18	ACUITE BB (Downgraded and Issuer not co-operating*)
	Proposed Bank Facility	Long Term	0.61	ACUITE BB (Downgraded and Issuer not co-operating*)
	Working Capital Term Loan	Long Term	0.96	ACUITE BB (Downgraded and Issuer not co-operating*)
	Post Shipment Credit	Short Term	2.50	ACUITE A4+ (Issuer not co-operating*)
12 Dec 2019	Standby Line of Credit	Long Term	1.50	ACUITE BB+ (Issuer not co-operating*)
	Packing Credit	Short Term	13.75	ACUITE A4+ (Issuer not co-operating*)
	Working Capital Term Loan	Long Term	0.96	ACUITE BB+ (Issuer not co-operating*)
	Post Shipment Credit	Short Term	2.50	ACUITE A4+ (Issuer not co-operating*)
	Proposed Bank Facility	Long Term	0.61	ACUITE BB+ (Issuer not co-operating*)
	Term Loan	Long Term	2.00	ACUITE BB+ (Issuer not co-operating*)
	Term Loan	Long Term	1.18	ACUITE BB+ (Issuer not co-operating*)

12 Jul 2019	Term Loan	Long Term	2.00	ACUITE BBB- (Issuer not co-operating*)
	Standby Line of Credit	Long Term	1.50	ACUITE BBB- (Issuer not co-operating*)
	Post Shipment Credit	Short Term	2.50	ACUITE A3 (Issuer not co-operating*)
	Working Capital Term Loan	Long Term	0.96	ACUITE BBB- (Issuer not co-operating*)
	Packing Credit	Short Term	13.75	ACUITE A3 (Issuer not co-operating*)
	Proposed Bank Facility	Long Term	0.61	ACUITE BBB- (Issuer not co-operating*)
	Term Loan	Long Term	1.18	ACUITE BBB- (Issuer not co-operating*)
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)
		Long		
	Term Loan	Term	2.00	ACUITE BBB- Stable (Assigned)
	Working Capital Term Loan	Long Term	0.96	ACUITE BBB- Stable (Assigned)
	Proposed Long Term Loan	Long Term	0.61	ACUITE BBB- Stable (Assigned)
07 Feb 2018	Packing Credit	Short Term	6.50	ACUITE A3 (Issuer not co-operating*)
	Post Shipment Credit	Short Term	2.50	ACUITE A3 (Issuer not co-operating*)
	Standby Line of Credit	Long Term	1.50	ACUITE BBB- (Issuer not co-operating*)
	Bank Guarantee	Short Term	0.05	ACUITE A3 (Issuer not co-operating*)
	Proposed Long Term Loan	Long Term	6.95	ACUITE BBB- (Issuer not co-operating*)
04 Jan 2017	Standby Line of Credit	Long Term	1.50	ACUITE BBB- Stable (Assigned)
	Post Shipment Credit	Short Term	2.50	ACUITE A3 (Assigned)
	Packing Credit	Short Term	6.50	ACUITE A3 (Assigned)
	Bank Guarantee	Short Term	0.05	ACUITE A3 (Assigned)
	Proposed Long Term Loan	Long Term	6.95	ACUITE BBB- Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
State Bank of India	Not Applicable	PC/PCFC	Not Applicable	Not Applicable	Not Applicable	13.75	ACUITE A4+ Reaffirmed Issuer not co-operating*
State Bank of India	Not Applicable	Post Shipment Credit	Not Applicable	Not Applicable	Not Applicable	2.50	ACUITE A4+ Reaffirmed Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	0.61	ACUITE BB- Downgraded Issuer not co-operating*
State Bank of India	Not Applicable	Stand By Line of Credit	Not Applicable	Not Applicable	Not Applicable	1.50	ACUITE BB- Downgraded Issuer not co-operating*
State Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	1.18	ACUITE BB- Downgraded Issuer not co-operating*
State Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	2.00	ACUITE BB- Downgraded Issuer not co-operating*
State Bank of India	Not Applicable	Working Capital Term Loan	Not available	Not available	Not available	0.96	ACUITE BB- Downgraded Issuer not co-operating*

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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