

Press Release

K M S Spinners

December 01, 2021



Rating Reaffirmed and Issuer not co-operating

Product	Initial Quantum (Rs. Cr.)	Net Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	9.36	9.36	ACUITE B Reaffirmed Issuer not co-operating*	
Total	-	9.36	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE B**' (read as **ACUITE B**) on the Rs.9.36 crore bank facilities of K M S Spinners. The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

About the Company

KMS Spinners was established in 2015 by Mr. Mani and Mr. S Sedhuram (Managing Partners) as a partnership firm in Coimbatore (Tamil Nadu). The firm started manufacturing operations in November 2016. The firm produces open-ended cotton yarns, used in the manufacture of t-shirts, shirts and grey fabrics. The firm has a production capacity of 200 tons per Month. The firm's clients are weaving mills mainly located across Palladam, Palayam, Tirupur district.

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.

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

This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.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

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

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
29 Aug 2020	Cash Credit	Long Term	1.25	ACUITE B (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	5.86	ACUITE B (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	2.25	ACUITE B (Downgraded and Issuer not co-operating*)
21 Jun 2019	Cash Credit	Long Term	1.25	ACUITE B+ Stable (Assigned)
	Cash Credit	Long Term	2.25	ACUITE B+ Stable (Upgraded from ACUITE B)
	Term Loan	Long Term	5.86	ACUITE B+ Stable (Upgraded from ACUITE B)
08 Mar 2019	Cash Credit	Long Term	2.25	ACUITE B (Issuer not co-operating*)
	Term Loan	Long Term	6.00	ACUITE B (Issuer not co-operating*)
27 Dec 2017	Cash Credit	Long Term	2.25	ACUITE B Stable (Assigned)
	Term Loan	Long Term	6.00	ACUITE B Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Initial Quantum (Rs. Cr.)	Net Quantum (Rs. Cr.)	Rating
Canara Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	1.25	1.25	ACUITE B Reaffirmed Issuer not co- operating*
Canara Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.25	2.25	ACUITE B Reaffirmed Issuer not co- operating*
Canara Bank	Not Applicable	Term Loan	Not available	Not available	Not available	5.86	5.86	ACUITE B Reaffirmed Issuer not co- operating*

Contacts

Analytical	Rating Desk
Aditya Gupta Vice President-Rating Operations Tel: 022-49294041 aditya.gupta@acuите.in	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuите.in
Nilesh Soni Analyst-Rating Operations Tel: 022-49294065 nilesh.soni@acuите.in	

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 8,850 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 Kanjurmarg, Mumbai.

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