

Press Release

Classic Knits India Private Limited

October 21, 2021



Rating Update

Total Bank Facilities Rated*	Rs. 67.00 Cr.#
Long Term Rating	ACUITE B Issuer not co-operating*
Short Term Rating	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 B** (read as **ACUITE B**) and short term rating of '**ACUITE A4** (read as **ACUITE A four**) on the Rs. 67.00 crore bank facilities of Classic Knits India Private Limited (CKIPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

CKIPL, incorporated in 2010, is engaged in manufacturing and exporting of fashion undergarments, high fashion t-shirts, polo shirts, sweatshirts, and loungewear for men and women. It was founded by Mr. R. Shanmugam and is currently under the directorship of Mrs. Parvatha Varthini (Founder's wife) and Mr. S. Goutham (Founder's son). The company currently has an installed capacity of 1.62 crore pieces of garments per annum, of which 70-75 percent is utilised. The manufacturing facilities are located in Tirupur and Vagarai (Tamil Nadu).

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 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-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.

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

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
20th Jul 20	Packing Credit	Short Term	8.00	ACUITE A4 Issuer not co-operating*
	Cash Credit	Long term	34.00	ACUITE B (Downgraded from ACUITE BB-/Stable) Issuer not co-operating*
	Term Loan	Long term	6.60	ACUITE B (Downgraded from ACUITE BB-/Stable) Issuer not co-operating*
	Bills Discounting	Short Term	10.00	ACUITE A4 Issuer not co-operating*
	Proposed Long Term Loan	Long term	8.40	ACUITE B (Downgraded from ACUITE BB-/Stable) Issuer not co-operating
13th May 19	Packing Credit	Short Term	8.00	ACUITE A4 (Reaffirmed)
	Cash Credit	Long term	34.00	ACUITE BB-/Stable (Reaffirmed)
	Term Loan	Long term	6.60	ACUITE BB-/Stable (Reaffirmed)
	Bills Discounting	Short Term	10.00	ACUITE A4 (Assigned)
	Proposed Long Term Loan	Long term	8.40	ACUITE BB-/Stable (Reaffirmed)
10th Feb 18	Packing Credit	Short term	8.00	ACUITE A4 (Assigned)
	Packing Credit	Long Term	34.00	ACUITE BB-/Stable (Assigned)
	Term Loan	Long Term	9.61	ACUITE BB-/Stable (Assigned)
	Proposed Working Capital Demand Loan	Short Term	15.39	ACUITE A4 (Assigned)

***Annexure – Details of instruments rated**

Lender Name	Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
IDBI Bank	Packing Credit	Not Applicable	Not Applicable	Not Applicable	8.00	ACUITE A4 Issuer not co-operating*
Corporation Bank	Cash Credit	Not Applicable	Not Applicable	Not Applicable	34.00	ACUITE B Issuer not co-operating*
Corporation Bank	Term Loan	Not Available	Not Available	Not Available	6.60	ACUITE B Issuer not co-operating*
Canara Bank	Bills Discounting	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE A4 Issuer not co-operating*
Not Applicable	Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	8.40	ACUITE B 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 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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