

Press Release

Power Spinning Mills

January 03, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	3.00		ACUITE A4 Reaffirmed Issuer not co-operating*
Bank Loan Ratings	10.00	ACUITE B+ Reaffirmed Issuer not co-operating*	
Total	13.00	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE B+**' (read as **ACUITE B plus**) and the short term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs. 13.00 Cr bank facilities of Power Spinning Mills (PSM). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on best available information.

About the Company

PSM a partnership firm based at Tamil Nadu was established in 2003 by Mrs. M. Murgaswamy, Mrs. P. Swaminathan, Mrs. R. Vasanthi and Mrs. B. Jayakavitha. PSM is engaged in manufacturing of grey cotton yam (30's and 40's count). The firm occasionally sells grey fabrics. The firm has 15000 spindles which operate at 95 percent capacity with an output of 6000 kgs per day.

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.

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

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>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
08 Oct 2020	Cash Credit	Long Term	10.00	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Letter of Credit	Short Term	3.00	ACUITE A4 (Issuer not co-operating*)
16 Jul 2019	Letter of Credit	Short Term	3.00	ACUITE A4 (Issuer not co-operating*)
	Cash Credit	Long Term	10.00	ACUITE BB- (Issuer not co-operating*)
05 Jun 2018	Cash Credit	Long Term	10.00	ACUITE BB- Stable (Assigned)
	Letter of Credit	Short Term	3.00	ACUITE A4 (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Initial Quantum (Rs. Cr.)	Quantum (Rs. Cr.)	Rating
DBS Bank Ltd	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.00	10.00	ACUITE B+ Reaffirmed Issuer not co- operating*
DBS Bank Ltd	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	3.00	3.00	ACUITE A4 Reaffirmed Issuer not co- operating*

Contacts

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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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