

Press Release

Flower Knitting Mills

November 06, 2020

Rating Update



Total Bank Facilities Rated*	Rs. 31.50 Cr.#
Long Term Rating	ACUITE BB- (Downgraded from ACUITE BB) 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.

Acuite has downgraded the long term rating to '**ACUITE BB-**' (read as **ACUITE double B minus**) from '**ACUITE BB**' (read as **ACUITE double B**) and reviewed the short term rating of '**ACUITE A4+**' (Read as **ACUITE A four plus**) on the Rs. 31.50 crore bank facilities of Flower Knitting Mills. The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

Flower Knitting Mills was set up in 1988 by Mr. S. Subramani. The entity manufactures and exports nightwear, T-shirts, shorts, and undergarments for men, women, and kids. The firm exports its products to regions such as the EU and the UAE. The entity's manufacturing unit is located in Tirupur (Tamil Nadu) with an installed capacity to manufacture four lakh pieces per month. The unit is equipped with 350 sewing machines.

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.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-59.htm>
- Consolidation of Companies - <https://www.acuite.in/view-rating-criteria-60.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.

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

Acuite 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
16 Aug, 2019	PC/PCFC	Long Term	18.00	ACUITE BB Issuer not co-operating*
	Bill Discounting	Short Term	4.00	ACUITE A4+ Issuer not co-operating*
	Proposed Packing Credit	Long Term	0.50	ACUITE BB Issuer not co-operating*
	Letter of Credit	Short Term	9.00	ACUITE A4+ Issuer not co-operating*
25 June, 2018	PC/PCFC	Long Term	18.00	ACUITE BB/stable (Assigned)
	Bill Discounting	Short Term	4.00	ACUITE A4+ (Assigned)
	Proposed Packing Credit	Long Term	0.50	ACUITE BB/stable (Assigned)
	Letter of Credit	Short Term	9.00	ACUITE A4+ (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
PC/PCFC	Not Available	Not Applicable	Not Available	18.00	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*
Bill Discounting	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE A4+ Issuer not co-operating*
Proposed Packing Credit	Not Applicable	Not Applicable	Not Applicable	0.50	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	9.00	ACUITE A4+ Issuer not co-operating*

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

Contacts

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About Acuite Ratings & Research:

Acuite 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 6,000 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 Mumbai.

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