

Press Release

Amman Spinning Mills

June 15, 2022



Rating Reaffirmed & Withdrawn and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	11.34	ACUITE B+ Reaffirmed & Withdrawn Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	11.34	-	-

Rating Rationale

Acuite has reaffirmed & withdrawn its long-term rating of '**ACUITE B+**' (read as ACUITE B Plus) on the Rs.11.34 crore bank facilities of Amman Spinning Mills.

The rating withdrawal is in accordance with the Acuite's policy on withdrawal of rating. This rating continues to be an indicative rating and is based on the best available information. The rating is being withdrawn on account of request received from the company and NOC received from the banker.

About the Company

AMMAN SPINNING MILLS (ASM), Coimbatore-based firm established in 2005, is engaged in manufacturing of cotton yarn. It has a manufacturing unit in Sultanpet, Coimbatore District, and Tamil Nadu. Currently, the firm has an installed capacity of 13,200 spindles and the count ranging from 30-40s. The company also owns a two 64 (KW) wind mill. The company is promoted by Mr. S.A.Mahalingam, Mr.S.A.Rajamanickam, Mr.S.D.Mantharachalam, Mr.S.D.Kumaravel, and Mr. S.K.Balakrishnan, Shri.S.K.Govinda who have over two decades of experience in Cotton Yarn industry.

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 notcooperating", 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.

Rating Sensitivity

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

Material Covenants

None.

Liquidity Position

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

Outlook

Not Applicable.

Key Financials

Particulars	Unit	FY 20 (Provisional)	FY 19 (Actual)
Operating Income	Rs. Cr.	18.72	30.28
PAT	Rs. Cr.	0.05	0.24
PAT Margin	(%)	0.24	0.80
Total Debt/Tangible Net Worth	Times	0.83	0.82
PBDIT/Interest	Times	2.28	3.23

Any other information

Not Applicable.

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>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
24 Nov 2021	Proposed Bank Facility	Long Term	1.17	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	3.67	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	6.50	ACUITE B+ (Downgraded and Issuer not co-operating*)
07 Sep 2020	Term Loan	Long Term	3.67	ACUITE BB- Stable (Assigned)
	Proposed Bank Facility	Long Term	1.17	ACUITE BB- Stable (Assigned)
	Cash Credit	Long Term	6.50	ACUITE BB- Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Indian Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	6.50	ACUITE B+ Reaffirmed & Withdrawn Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	1.17	ACUITE B+ Reaffirmed & Withdrawn Issuer not co-operating*
Indian Bank	Not Applicable	Term Loan	Not available	Not available	Not available	3.67	ACUITE B+ Reaffirmed & Withdrawn 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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