

Press Release

Prassanna Spinning Mills Private Limited

November 04, 2020

Rating Update



Total Bank Facilities Rated*	Rs. 96.54 Cr #
Long Term Rating	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*

#Refer Annexure for details

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

Acuité has downgraded the long term rating to '**ACUITE BB**' (read as **ACUITE double B**) from '**ACUITE BB+**' (read as **ACUITE double B plus**) on the Rs.96.54 crore bank facilities of Prassanna Spinning Mills Private Limited (PSPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

Prassanna Spinning Mills Private Limited (PSPL) was incorporated in 2006 with Mr. P.S.Veluswamy, Mr. C. Kandaswamy, Mrs. R. Geetha and Mr. S.D. Rathinasabapathy as directors. In FY2013-14, Mr. P.S.Veluswamy, and Mr. C. Kandaswamy retired from the company. Currently, the management of the company is looked after by Mr. S.D. Rathinasabapathy. PSPL manufacturing unit is located at Vedasandur, Dindigul.

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 continues to be 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.

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
13 August 2019	Cash Credit	Long Term	65.00	ACUITE BB+ Issuer not co-operating*
	Term Loan	Long Term	19.94	ACUITE BB+ Issuer not co-operating*
	Proposed Bank Facility	Long Term	11.60	ACUITE BB+ Issuer not co-operating*
04 June 2018	Cash Credit	Long Term	65.00	ACUITE BB+/ Stable (Downgraded from BBB-/Stable)
	Term Loan	Long Term	19.94	ACUITE BB+/ Stable (Downgraded from BBB-/Stable)
	Proposed Bank Facility	Long Term	11.60	ACUITE BB+/ Stable (Downgraded from BBB-/Stable)
04 May 2017	Cash Credit	Long Term	65.00	ACUITE BBB- / Stable (Reaffirmed)
	Term Loan	Long Term	19.94	ACUITE BBB- / Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	11.60	ACUITE BBB- / Stable (Reaffirmed)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	65.00	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
Term Loan	Not Available	Not Applicable	Not Available	19.94	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	11.60	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
Aditya Gupta Head- Corporate and Infrastructure Sector Tel: 022-49294041 aditya.gupta@acuite.in Salome Farren Analyst - Rating Operations Tel: 022-49294072 salome.farren@acuite.in	Varsha Bist Senior Manager - Rating Desk Tel: 022-49294011 rating.desk@acuite.in

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.

Disclaimer: *An Acuite rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuite ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuite, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuite is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuite ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuite.*