

## RATING RATIONALE

30 Nov 2020

Acme Yarns Pvt. Ltd.

**Brickwork Ratings withdraws the ratings for the Bank Loan Facilities of ₹ 6.34 Crores of Acme Yarns Pvt. Ltd.**

### Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (October, 2020)	Present
Fund Based Term Loan	2.59	0.00	Long Term	BWR C+ Issuer Not Cooperating*	Withdrawn^
CC/OBDD (90 days)	3.75	0.00	Long Term/ Short Term	BWR C+/ A4 Issuer Not Cooperating*	
<b>Total</b>	<b>6.34</b>	<b>0.00</b>		<b>Nil</b>	

#Please refer to BWR website [www.brickworkratings.com/](http://www.brickworkratings.com/) for definition of the ratings

\*Issuer not cooperating. Based on best available information.

^ Limits have been adjusted as on date.

### WITHDRAWAL OF RATING:

Brickwork Ratings had initially rated Acme Yarns Pvt. Ltd.'s bank loan facilities amounting to Rs. 6.34 Crores in May 2014. The rating assigned was BWR B (Stable)/BWR A4. In March 2017, the company was categorised under "Rating not Reviewed", on account of the required information not being provided. Subsequently on account of the required information not being provided, the company was moved to Issuer not Cooperating in October 2019 and was downgraded to BWR B- (Stable)/A4. Subsequently in October 2020 on account of the required information not being provided, the rating was downgraded to BWR C+/A4; Issuer not Cooperating.

On 25th November 2020, the client informed us vide email that their limits with the Central Bank of India had been adjusted on 18th February 2017. The client requested for withdrawal of ratings and provided a No Dues Certificate from the Central Bank of India. The No Dues Certificate by the Central Bank of India is dated 18th February 2017 and confirms that the account had been adjusted. The No Dues Certificate is provided by Central Bank of India, Gheekanta Road Branch, Ahmedabad; which has since closed. Hence we were unable to contact the banker to get confirmation and have relied on MCA website, which confirms that the account was adjusted on 18th February 2017. Based on the above information BWR Withdraws the ratings of BWR C+/A4; Issuer Not Cooperating for Acme Yarns Pvt. Ltd. on account of limits being adjusted.

**COMPANY PROFILE (Information as on May, 2014)**

Acme Yarns Pvt. Ltd. (AYPL), incorporated as a private limited company in the year 2010, is engaged in the manufacturing and trading of Cotton Yarns. AYPL has its registered office at Raipur, Ahmedabad and manufacturing unit at Changodhar, Ahmedabad, Gujarat.

AYPL is promoted by Acme group which consists of various business units under the name of Acme International Ltd (flagship company of the group, engaged in the business of Exports of Yarn), Acme Cotsyn Pvt. Ltd. (engaged in the manufacture of Denim Grey Cloth) and by Mr. Jitendrakumar Lalbhai & Mr. Nilesh Lalbhai. The promoters and the other group concerns are predominantly engaged into the business of Trading in Cotton, Trading in Grey Cloth, Trading in Yarn, Indenting for Cotton & Grey products (Export), Manufacture of Grey (Cotsyn), Master Manufacturing of Yarns using the facility of Mafatlal Industries Nadiad and Export of Yarns & Cloth. Acme Yarns Pvt. Ltd has been promoted to set up a yarn manufacturing facility as a part of “Backward-Forward Integration” Strategy for the Acme Group. For this, the group has purchased from Supernova Exim Pvt. Ltd. its existing Facility in form of Land, Building and Plant & Machinery located at Changodhar. The said unit is spread across 9980 sq. mtrs and construction area of appx 1000 sq. mtrs. Currently the Plant & Machinery consist of 12500 spindles. This facility is capable of producing 160 Tonne per month of yarn at 92% utilization in 2 shifts. The key management personnel are Mr Jitendra Lalbhai, Mr Nilesh Lalbhai and Mr Rahul Jitendra Shah.

**NON-COOPERATION WITH PREVIOUS RATING AGENCY: N/A**

**RATING HISTORY FOR THE PREVIOUS THREE YEARS [including withdrawal and suspended]**

Facilities	Current Rating			Rating History			
	Tenure	Amount (₹ Cr)	Rating	October, 2020	2019	2018	2017
<b>Fund Based Term Loan</b>	Long Term	0.00	Withdrawn <sup>^</sup>	BWR C+ Issuer Not Cooperating*	BWR B- Issuer Not Cooperating* (Stable)	-	-
CC/OBDD (90 days)	Long Term/ Short term	0.00	Withdrawn <sup>^</sup>	BWR C+/ A4 Issuer Not Cooperating*	BWR B- (Stable)/ A4 Issuer Not Cooperating*	-	-
<b>Total</b>		0.00		Nil			

\* Issuer did not cooperate. Based on best available information

<sup>^</sup> Limits have been adjusted as on date.

## COMPLEXITY LEVELS OF THE INSTRUMENTS

For more information, visit [www.brickworkratings.com/download/ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf)

### Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)

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## ANNEXURE I

*Acme Yarns Pvt. Ltd.*

### Details of Bank Facilities rated by BWR

SL.N o.	Name of the Bank	Type of Facilities	Type	Tenure	Total [₹ Cr]
1)	Central Bank of India	Term Loan	Fund Based	Long Term	0.00
2)		Cash Credit/ODBD (90 days)		Long Term/ Short Term	0.00
<b>TOTAL</b>					<b>0.00</b>



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