

Press Release

Wearit Global Limited

07 March, 2018

Rating Update



Total Bank Facilities Rated*	Rs. 310.04 Cr. #
Long Term Rating	SMERA BB+ Issuer not co-operating*
Short Term Rating	SMERA A4+ Issuer not co-operating*

Refer Annexure for details

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

SMERA has reviewed long-term rating of '**SMERA BB+**' (read as **SMERA double B plus**) and short term rating of '**SMERA A4+**' (read as **SMERA A four plus**) on the Rs 310.04 crore bank facilities of Wearit Global Limited (WGL). This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower

SMERA 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 due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and SMERA's policies.

Applicable Criteria

- Default Recognition - <https://www.smera.in/criteria-default.htm>
- Financial Ratios And Adjustments - <https://www.smera.in/criteria-fin-ratios.htm>
- Manufacturing Entities - <https://www.smera.in/criteria-manufacturing.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). SMERA endeavoured to gather information about the entity / industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity

The Kolkata based WGL, (the erstwhile Ritspin Global Limited) incorporated in 1999 as an investment company changed its business to trading in polyester yarns and fibres in 2002. The company started with manufacturing activities from FY'11 with the acquisition of a spinning unit which had installed capacities of 25,776 spindles. Currently, the company has a combined installed capacity of 1, 55,648 spindles presently and is managed by Mr. Manish Kumar.

About the Rated Entity Financial

	Unit	FY17 (Actual)	FY16 (Actual)	FY15 (Actual)
Operating Income	Rs. Cr.	767.04	746.44	701.13
EBITDA	Rs. Cr.	6.52	42.06	32.21
PAT	Rs. Cr.	(37.50)	8.48	6.69
EBITDA Margin	(%)	0.85	5.64	4.59
PAT Margin	(%)	(4.89)	1.14	0.95
ROCE (%)	(%)	0.40	8.95	8.59
Total Debt/Tangible Net Worth	Times	146.91	182.28	171.89
PBDIT/Interest	Times	0.21	1.48	1.58
Total Debt/PBDIT	Times	40.58	6.58	7.37
Gross Current Assets (Days)	Days	202	185	173

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
16-December-2016	Packing Credit	Long Term	INR 134.70	SMERA BB+/ Stable (Reaffirmed)
	Cash Credit	Long Term	INR 86.05	SMERA BB+/ Stable (Reaffirmed)
	Term Loan / FCTL	Long Term	INR 66.29	SMERA BB+/ Stable (Reaffirmed)
	Foreign Bill Purchase	Long Term	INR 18.00	SMERA BB+/ Stable (Reaffirmed)
	Letter of Credit	Short Term	INR 5.00	SMERA A4+ (Reaffirmed)
19-October-2015	Packing Credit	Long Term	INR 204.27	SMERA BB+/ Stable (Reaffirmed)
	Cash Credit	Long Term	INR 9.73	SMERA BB+/ Stable (Assigned)
	Term Loan / FCTL	Long Term	INR 66.04	SMERA BB+/ Stable (Assigned)
	Foreign Bill Purchase	Long Term	INR 25.00	SMERA BB+/ Stable (Assigned)
	Letter of Credit	Short Term	INR 5.00	SMERA A4+ (Assigned)
12-October-2015	Packing Credit	Long Term	INR 55.20	SMERA BB+/ Stable (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings
Packing Credit	Not Applicable	Not Applicable	Not Applicable	134.70	SMERA BB+ Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	86.05	SMERA BB+ Issuer not co-operating*
Term Loan / FCTL	Not Applicable	Not Applicable	Not Applicable	66.29	SMERA BB+ Issuer not co-operating*
Foreign Bill Purchase	Not Applicable	Not Applicable	Not Applicable	18.00	SMERA BB+ Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	5.00	SMERA A4+ Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
Suman Chowdhury President - SMERA Bond Ratings Tel: 022-67141107 suman.chowdhury@smera.in Abhishek Dey Executive Analyst - Rating Operations Tel: 033-66201208 abhishek.dey@smera.in	Varsha Bist Manager - Rating Desk Tel: 022-67141160 varsha.bist@smera.in

ABOUT SMERA

SMERA Ratings Limited is a joint initiative of SIDBI, D&B and leading public and private sector banks in India. SMERA is registered with SEBI, accredited by RBI as an External Credit Assessment Institution (ECAI), under BASEL-II norms for undertaking Bank Loan Ratings. SMERA Bond Ratings is a division of SMERA Ratings Limited responsible for ratings of bank facilities, and capital market/money market debt instruments such as Bonds, Debentures, Commercial Papers, Fixed Deposits, Certificate of Deposits etc.. For more details, please visit www.smera.in.

Disclaimer: A SMERA 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. SMERA 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, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA 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. SMERA 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.smera.in) for the latest information on any instrument rated by

SMERA Ratings Limited

Registered Office: 102, Sumer Plaza, Marol Maroshi Road, Marol, Andheri (East), Mumbai - 400 059

CIN: U74999MH2005PLC155683 | SEBI Permanent Registration No.: IN / CRA / 006 / 2011

SMERA.